

The Eastern Synod Lutheran Leaders' Edition

September 2017



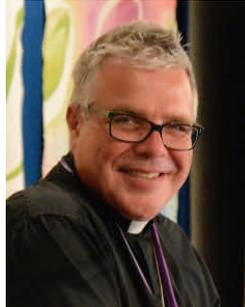
From Bishop's Desk

74 Weber St. West
Kitchener, ON
N2H 3Z3

Phone: 519-743-1461
Toll Free 1-877-373-5242
Fax: 519-743-4291

**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.



I would like to take this opportunity along with the Bishops' Company to invite you to attend our forthcoming LutherFest500 event. It is a chance to celebrate the anniversary of the Reformation in a fun atmosphere. Come by yourself or organize a group from your church. All are welcome!

The night promises to have great food, great music, great speaker and great company. Don't miss out on this epic festival 500 years in the making!

Please, click [here for more information.](#)

+ *Michael*



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The following is an excerpt from Bishop Pryse's article in Canada Lutheran.

I want to throw out a challenge. Sometime this fall I would propose that each of our congregational councils conduct an interview with their pastors and diaconal ministers. Here are some questions you might use to guide your conversation.

- What were your initial expectations when you began to work with us? How have they turned out?
- What three areas of your work have given you the sense of greatest fulfillment?
- What were your three areas of greatest frustration?

• How do you view the next five years of this congregation's life? What do you see to be its greatest potentials and obstacles?

- Where do you believe our congregation most needs to grow and develop?
- Where do you believe that you most need to grow and develop?

My guess is that such conversations could help us begin to remedy some of the leadership deficits we experience in many of our churches. The work of congregational ministry is a collaborative effort between the people and our rostered leaders. Our mutual ministry is enhanced

and strengthened to the extent that we collaborate effectively in that work and provide an environment wherein everyone is able to exercise their unique gifts and talents to the fullest possible extent. That can only happen in environments that promote and encourage free and open communication.

Let me be clear. Our rostered leaders do not want to run the church. They don't want to dominate or dictate. They do, however, want to lead. That's what they have been called and equipped to do. We need to unbind them and set them free.

Read the full story and more at [Bishop's blog.](#)

Dear Synod Treasurer,

by Keith Myra



Keith Myra
Treasurer of the
Synod

In this, the first of what will become a regular feature of *Leaders' Edition*, I will respond to questions that I commonly receive from congregations. Feel free to send any questions related to regulatory or other congregational financial matters to me by email (kmyra@elcic.ca). In addition to responding to you individually, I will publish (anonymously) questions and answers related to those topics that are most commonly faced by congregations in future issues of this publication.

Question: *A number of years ago our congregation established a Building Fund with the hope that these funds could eventually be used to build our own church. Members have been donating to this*

fund over the years and it now has a balance in excess of \$50,000. We are currently experiencing some financial challenges with our Operating Fund – donations to that fund are not sufficient to meet our expenses. Are we able to use money from the Building Fund to help cover our Operating Fund deficit?

Response: The answer as to whether you are permitted to use funds from the Building Fund for other purposes depends on how the fund was set up initially and the intention of donors when they made donations to the Building Fund.

If, when the fund was originally established its sole purpose was specified “to build a church” (or something similar), then these funds may not be used for any other purpose. Trust law and Canadian charity law stipulate that the congregation is obliged to honour the intent of the donor(s) who contributed to this fund. Furthermore, even if they could be identified and found, the donor(s) are not permitted to

change the designation of their gift once their donation has been accepted since the money (or other property) no longer belongs to them as it now belongs to the congregation for the specific purpose which it was gifted.

These underlying principles lead to a couple of implications that relate to restricted (or special purpose) funds: Any income (e.g. interest, dividends, capital gains, etc.) earned by the Building Fund must be applied to that fund and as is the case with the original donations, cannot be used for any other purpose. Furthermore, money may not be loaned from the Building Fund to any other fund (such as the Operating Fund), even if this intended to be a short term loan.

Generally, donors would be led to believe that a fund that is named "Building Fund" would be utilized exclusively for the purposes of constructing a building. If, however, when the Building Fund was originally established,

it was specified that this fund could be used for purposes in addition to building a church (for example, paying for operating expenses), then the fund could be used for whatever purposes were specified when it was created, provided that the permissible purposes were understood by donors at the time they made their donation.

As you can see, the answer to this question comes down to how the purpose of the fund was originally specified, how that purpose has been communicated to donors and how donors intended their donations to be used. Although this question relates to the “Building Fund” the principles apply to all donor restricted funds.

In the next issue of *Leaders' Edition* I'll provide a number of tips related to establishing and managing restricted funds as well as a legal process that could be considered to request that an existing donor restriction be removed or changed.



Important Fall Reminders

by Keith Myra



Now that the fall season is approaching, it's time to begin following up on those tasks that may have been overlooked during the summer months and to initiate planning activities that occur each fall. Among these are the following:

New Policy For Disbursement of Congregational Assets

Earlier this summer Bishop Pryse and I sent a letter to each parish pastor, chairperson and treasurer that communicated the synod's recently implemented *Asset Disbursement Policy*. Both the [covering letter and policy](#) are posted on the synod's web site. If you require a hard copy version you may request one from the synod office.

Please review this information to familiarize

yourself with the content. As outlined in the policy, if your congregation is experiencing one or more of the conditions relating to membership, governance, regulatory, legal matters, financial and/or asset issues that are referred to in the policy there is a requirement that the Bishop be notified.

Clergy Residence Deduction – Annual Application

Those pastors owning or renting their own accommodation (including those renting the parsonage from their congregation) are reminded that they need to apply to CRA in September or October to receive approval for the portion of their income tax that is related to the Clergy Residence Deduction (CRD) to be reduced at source on their pay cheques for the upcoming year. In the absence of this approval from CRA congregational treasur-

ers are required to make these deductions and clergy will need to wait until filing their 2018 income tax return to receive the benefit of this deduction. For more details refer to my article on page 2 in the [September 2015 issue of Leaders' Edition](#).

Budgeting and Compensation

Fall is also the time when most congregations begin to prepare their budget for the upcoming year. To assist you with this task, following are links to the 2018 Compensation Schedule. As is usual the case, some of the amounts have changed from 2017 to 2018. There have, however, been no changes to any of the actual policies themselves:

[Salary and Housing](#) (Eastern Synod website)

[Pension and Benefits](#) (GSI website)

Real Presence: Responding to the Word

The Liturgy Canada fall conference in Waterloo

Saturday September 23, 2017, 9:00-3:00

For more info click [here](#).

ELFEC Resources Coming to Your Congregation

by Jeff Pym



As you are doing program planning for the coming year, keep in mind 2 new resources coming this fall from ELFEC.

A series of 4 short videos on planned giving

Looking for a way to encourage members to remember your church in their will? These videos are brief enough to be used during announcement time in church, as discussion-starters for an adult program, or watched by individual members at home. One is complete and can be found at: elfec.ca/learn-more-about-donor-advised-funds. The other

ers are in production right now; we will announce full details in September.

A webinar on Responsible Investing (RI) for individuals

Congregations can be responsible investors by opening a fund with ELFEC, but individuals cannot. Many people tell us that they are frustrated by the lack of good answers when they ask their personal financial advisor how to incorporate environmental or social concerns into their portfolio.

During this webinar, to be scheduled during Responsible Investment Week, October 23-27,

we'll have an RI expert explain the products available and how to find an advisor who will take your concerns seriously.

You could participate in the webinar as an individual or with a group of people interested in social justice. You will learn lots and have your RI questions answered.

To be added to the distribution list for the launch of these resources, email Krista Kuehnbaum at kkuehnbaum@elfec.ca and simply put "Fall Resources" in the subject line.

Reminder: Accessibility Legislative Requirements

by Laurie Knott

Within the Eastern Synod, Ontario and now Nova Scotia have accessibility legislation. (Nova Scotia passed Bill 59 in April, 2017 to create a barrier free and accessible province by 2030.) Legislation is designed to respond to an aging population. In Ontario, there are more people over the age of 65 than under age 14. As people get older, the risk of disability increases. Having procedures in place, ensures that we respond effectively and appropriately to those with disabilities -colleagues, members, visitors and/or volunteers.

In Ontario, the Accessibility for Ontarians with Disabilities Act (AODA) was passed in 2005. This legislation makes it mandatory for organizations with one or more employees to train employees, volunteers and board members on the five AODA standards. Full details can be found here:

<https://www.ontario.ca/page/how-make-customer-service-accessible>

Free online training can be found at: <http://www.accessforward.ca/>

Other reference links:

Accessibility and the Church: [Leaders' Edition April 2016](#)

Accessibility for People with Disabilities (AODA) Policy (Eastern Synod office): [Eastern Synod Policy](#)

Being able to respond appropriately to the needs of those with a disability may be a legislative requirement but it also just makes good sense to do so!