

# *A Way Forward*



**ANGLICAN EAST NL**

Presentation to the Diocesan  
Synod of Eastern  
Newfoundland and Labrador

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## A WAY FORWARD

### INTRODUCTION

We have recognized for some time that a need has emerged for the development of new models of ministry to promote sustainability and growth of the Diocese and its parishes. The Commission on Parish Renewal and Viability was appointed by the Bishop and asked to report back to the Diocese. It presented its report, *Surviving or Thriving: The Future of the Church in the Diocese of Eastern Newfoundland and Labrador* at a Synod held on October 16, 2018. The introduction of this Report stated:

*The Commission, through the process of town hall meetings and research, was given the mandate of investigating present and future ministry trends among parishes and seeking ways in which the Diocese can assist parishes in finding new models of ministry, parish renewal, and sustainability - essentially to assist parishes in finding effective means of health and growth. To propose any means of restructuring without a plan for strengthening and building the church for tomorrow is merely putting off the inevitable. Strengthening local parishes is a two-part process that involves both a plan for restructuring and mission.*

The Diocese adopted the Commission report, began to work through it in various creative ways, and established partnerships between neighbouring parishes and community organizations. March 2020, however, brought the Coronavirus disease (Covid-19) pandemic to our shores and we entered a lockdown to help alleviate its spread in our homes, churches, communities, and province. We have experienced three major Covid-19 pandemic lockdowns in less than two years.

Every major global event—whether it is a pandemic, world war, terror attack (September 11)—creates change. As a Church, we have been changed and we cannot assume that life will return to pre-COVID-19 days. This Pandemic has changed how we worship, how we gather, how we offer financial support, and how we function as Church. Amid these changes, we have proven that we can quickly adapt as the people of God to continue the mission of the Church.

We have embraced technology in ways that have brought current, former, and new parishioners to engage in worship, bible study, youth ministry, and many other ministries. We have enhanced the opportunities to financially support our parishes through online giving and fundraising. We have found ways to continue offering

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pastoral care to parishioners, providing support to food banks, housing the homeless, clothing the naked, and supporting refugees.

While we have found new strengths in the ways in which our Church fulfills its mission, we have also discovered some weaknesses. These weaknesses are most evident in how we financially support ministry. We have discovered the heavy reliance that some parishes have on fundraising. Covid-19 has certainly changed many of the traditional fundraising events and thus created some demanding situations for parishes in supporting their ministry and in turn the ministry of the Diocese. Offerings have also been significantly reduced in many parishes. The advent of the Canadian Emergency Wage Subsidy (CEWS) by the Government of Canada (ended October 2021) and the Diocesan Support Plan (ended August 2020) were lifelines for qualifying parishes; however, we are now at a place where we can no longer avoid the reality of our current situation within our parishes and our Diocese. It is urgent that we now find “A Way Forward” to sustain our Ministry.

### **A PROCESS TO FIND “A WAY FORWARD”**

**"Therefore encourage one another and build each other up, just as you are doing."**

***1 Thessalonians 5:11***

As a Diocese, we are a family and as a family, we rely on one another. The Diocese does not exist without our family members—each person, congregation, and parish. We are interdependent and need each other to continue the mission for which Christ has called us. As a family, it will take honesty, transparency, and living the words of Christ, “*to love one another*” to support ministry and establish financial stability for our Diocese.

We need to encourage one another and build each other up as we seriously look at our current parish and Diocesan situations. The process of looking inwardly—as a parish and as a Diocese—is challenging work. It means accepting realities that we know are true and yet have avoided because it means adapting to something new or relinquishing something we hold dear. The pandemic has brought us to this point of self-reflection and the time of avoidance is over.

In recognition of this urgent need, a small sub-committee of the Finance Committee was convened by the Bishop in the fall of 2020. It was charged to gather and analyze relevant information about the Diocese and its parishes and to make proposals for

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changes in the operations of both the Diocese and parishes to ensure sustainable Ministry into the future. The work of this sub-committee also informed the 2021 and 2022 Diocesan budgets.

The lengthy and detailed full report of the sub-committee is contained in an appendix to this document. Based on its analysis of financial trends in the parishes (and the Diocese), a core recommendation was that in the future, except for aided parishes, the delivery of ministry in parishes must be in keeping with the principles of Parish sustainability and reorganization below. It also makes specific proposals for reorganization in some parishes. However, these proposals are examples only and meant to stimulate discussion in and between parishes. Please refer to the full report for these examples. Creativity is encouraged in this process and other proposals are welcome. Indeed, in recent months some parishes, which had identified a need for change to ensure sustainability, have already developed and implemented new models of ministry in consultation with the Diocese.

A summary of the financial trends identified by the sub-committee, the Diocesan changes made to date and/or under consideration, the sustainability and reorganization principles it recommends be applied in parishes and a suggested process and timeline to implement changes required for sustainability in Parishes follows:

### **1. Background**

For several years, the Diocese (and some of its parishes) have been in declining financial health. The Diocese has been receiving a decreasing amount of assessment income as parishes have become less able to pay them because of declining attendance.

This problem has been exacerbated by the significant impact of the pandemic on parish and Diocesan operations. As we are all too painfully aware, the pandemic remains, and we do not yet know for how much longer or what the long-term effect will be on our ability to provide ministry in our Diocese. We do know, however, that its impact is unlikely to be positive (and even more so with the expiry of the significant CEWS payments, as mentioned above, of which the Diocese and many parishes have availed to sustain operations). These financial trends which are referred to in detail in the full report, are summarized below.

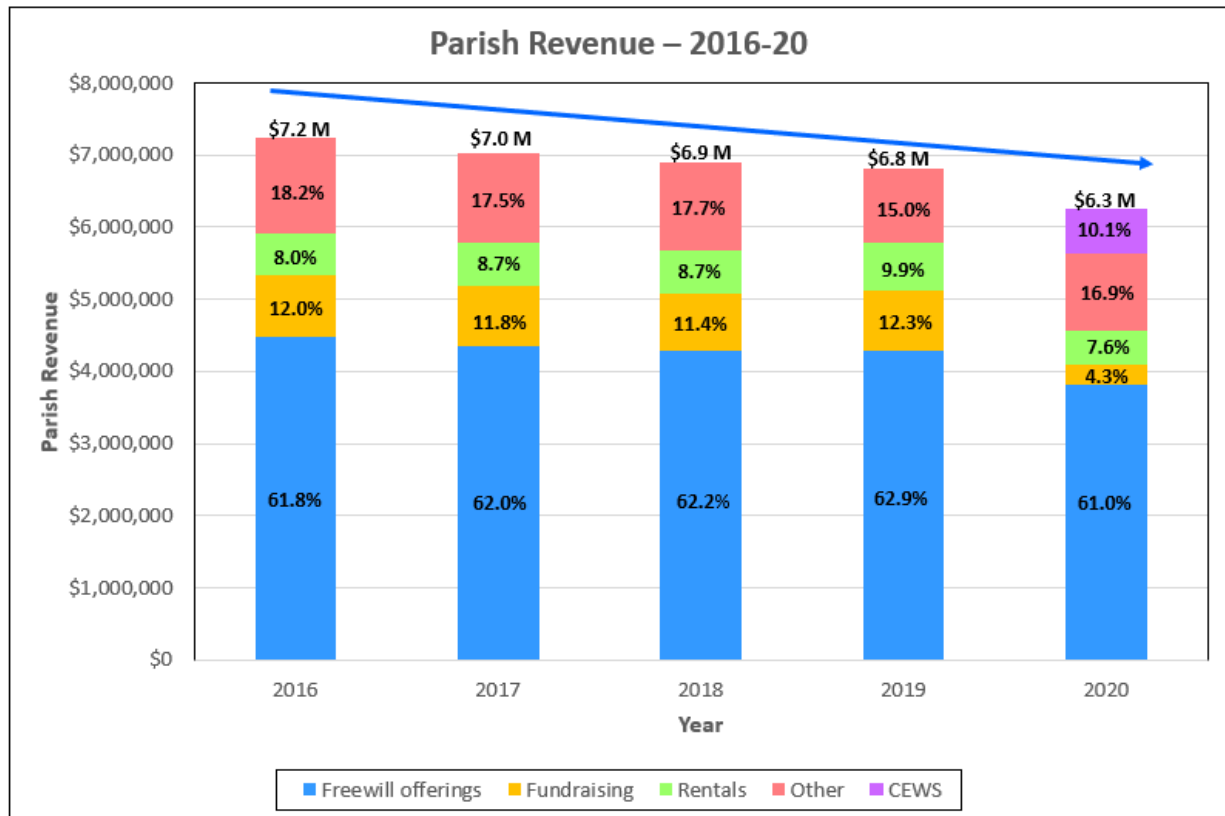
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Yet the financial demands of the provision of our shared Diocesan ministry and that of our individual parishes remain. The pandemic has brought into sharp focus the reality which had become apparent before it began—that in order to provide sustainable ministry to our people in the future, significant changes to Diocesan and parish operations will be required. Against this background, the sub-committee formulated proposals for reorganization based on basic Diocesan constitutional principles of parish sustainability.

### 2. Financial Trends

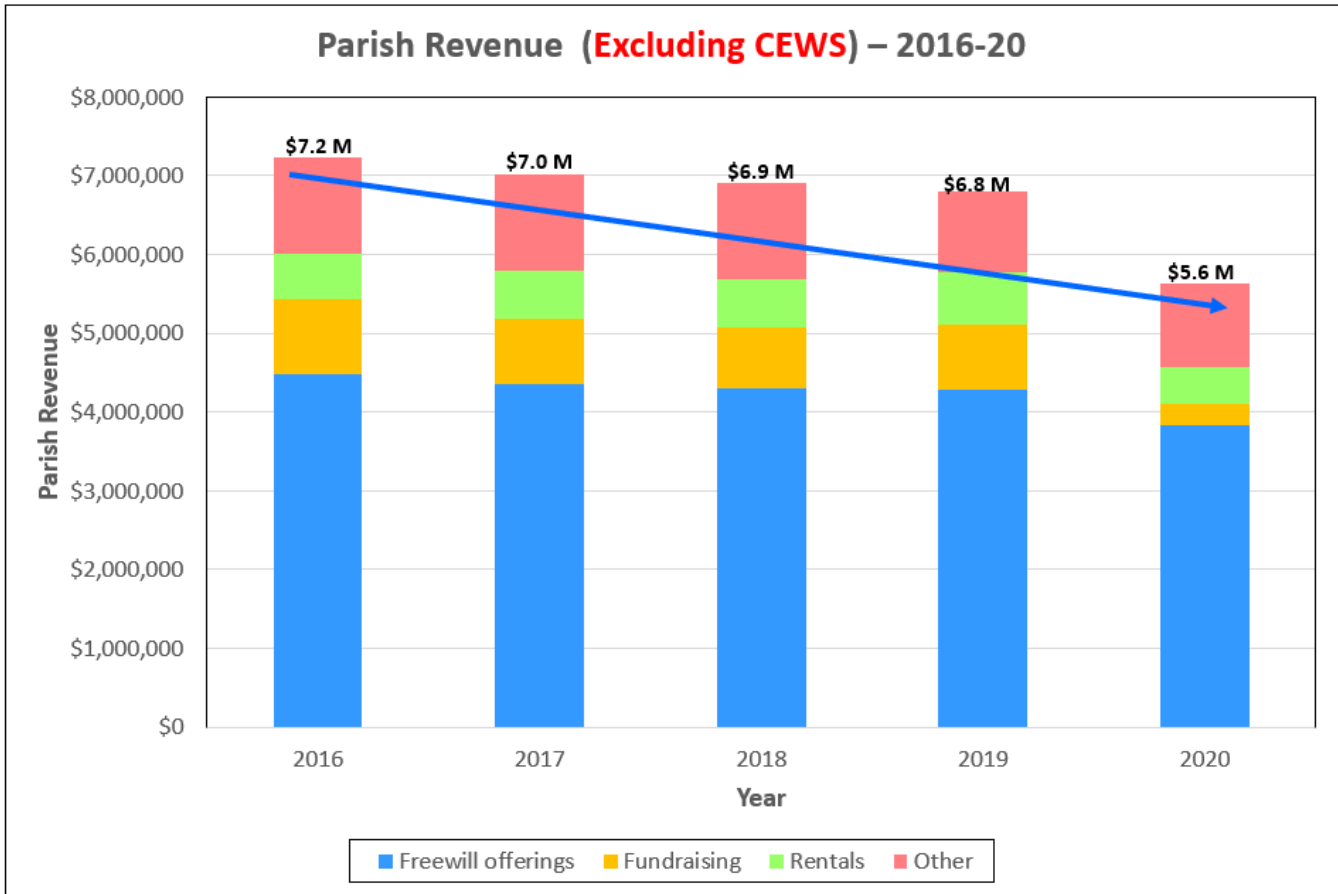
To follow are some graphical depictions that summarize trends in the financial performance of parishes in the Diocese since 2016.

**Parish Revenue Declining** – Parish revenue declined from 2016 through 2019. With the onset of the Covid-19 pandemic, this decline accelerated despite the significant financial support received through the Canada Emergency Wage Subsidy (“CEWS”).



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If one excludes the CEWS financial support, which ended in October 2021, the decline is more dramatic:

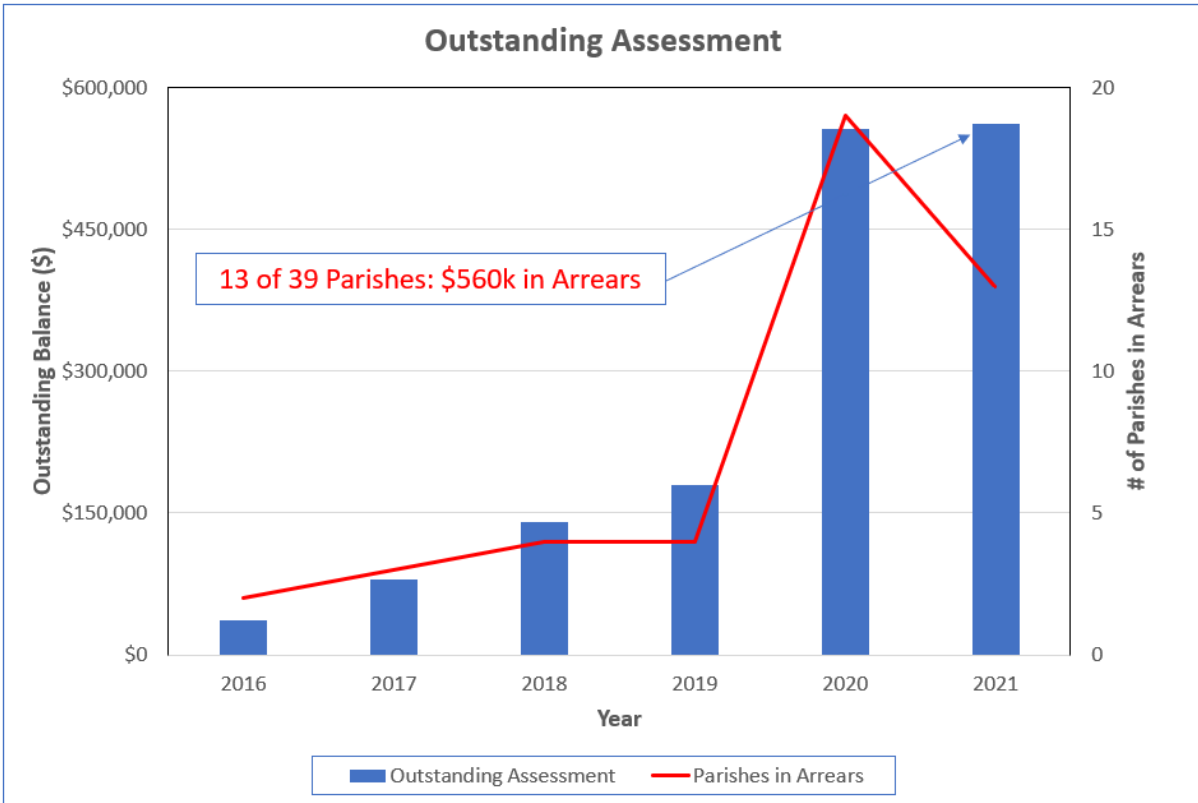


**Financial Deficits** – Collectively, the 33 parishes that provided complete information did not report a surplus in any year of the reporting period (2016-2020). More than half of these parishes reported a deficit in four or all five years of the five-year period. Of note, the reduction in the collective deficit in 2020 was largely due to the \$632,000 in CEWS support. While we do not yet have the 2021 financial information from the parishes, we do know the parishes received CEWS support totaling \$382,000 in 2021.

	2016	2017	2018	2019	2020
<b>Surplus/(Deficit) for Reporting Parishes:</b>					
Amount collectively	-\$5,019	-\$281,081	-\$173,535	-\$470,806	-\$168,581
Number of parishes recording a deficit	15	19	24	27	25
Number of parishes recording a surplus	18	14	9	6	8

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**Assessment Arrears Up Significantly** – The Covid-19 pandemic led to a dramatic increase in the number of parishes having arrears in assessment. At the end of 2021, there were 13 parishes that have assessment arrears totaling \$560,000.



### 3. PRINCIPLES AND PROCESS FOR PARISH SUSTAINABILITY AND REORGANIZATION

#### Parish Sustainability Principle

- a.) In order to qualify for Parish Status for the provision of ministry (unless considered to be an aided parish), a Parish must:
- Pay cost of cleric(s)
  - Pay assessments and employment benefits when due.
  - Have no arrears of assessments or employment benefits (except where satisfactory arrangements made with the Diocese as part of an agreed reorganization proposal).

#### Parish Reorganization Principles

- b.) Shared (or other creative options) for use of clergy, support staff, ministry resources, and buildings to facilitate expense reduction.

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c.) Divestiture, alternate use and/or closure of buildings to facilitate expense reduction.

### Reorganization Process

d.) Parishes not qualifying for Parish Status above are to enter into discussions internally and/or with other nearby parishes as to new models to ensure Parish Status and to advise the Executive Officer as to their proposal to do so (or that they are unable to make such a proposal) **on or before May 15<sup>th</sup>, 2022**.

e.) Following submission of such proposals by the parishes (if they are acceptable to the Bishop and Executive Committee), the Executive Officer and other senior representatives assigned by the Diocese for this purpose will be made available to assist such parishes in implementation of same, with such adjustments as may be required.

f.) Where no proposal is submitted by May 15th, 2022 (or a proposal submitted that cannot be implemented), the Executive Officer will instruct the Parish (after consultation with the Parish) as to arrangements which are acceptable to the Bishop and Executive Committee to ensure continuance of Ministry in accordance with the Parish Reorganization Principles.

g.) In the case of both e.) and f.) above, new arrangements will be implemented by December 31, 2022, such that Ministry can sustainably be provided throughout the Diocese.

## 4. CONCLUSION

As parishes we need to reflect and ask ourselves both individually and collectively:

What is our mission as individual Anglicans, as a parish, and as a Diocese?

Who is part of this mission? (Just me, just my congregation, just my parish)

Where is Jesus in our view of mission?

Can we see others as part of our mission?

If so, how?

If not, why?

Where do I see myself and parish in the mission of the Diocese?

As a family, we will encourage one another and build each other up as we continue Christ's mission and change lives in the Diocese of Eastern Newfoundland and Labrador.