

ASSEMBLY COUNCIL

RECOMMENDATIONS

Consent Recommendations

That Recommendation Nos. 4, 5, 6, 15, 16, 17, 21 and 23 (identified by the ►) be adopted by consent.

Recommendation No. 1

That the above minute of appreciation for Mr. Stephen Roche be adopted. (see p. 2.1.4)

Recommendation No. 2

That Mr. Oliver Ng, CMA, CPA, be appointed as Chief Financial Officer and Treasurer of The Presbyterian Church in Canada, effective July 31, 2016. (see p. 2.1.6)

Recommendation No. 3

That Book of Forms Appendix G as presented above be approved. (see p. 2.1.10)

► Recommendation No. 4

That the financial statements for The Presbyterian Church in Canada at December 31, 2015 be received for information. (see p. 2.1.10)

► Recommendation No. 5

That the financial statements for The Presbyterian Church in Canada Pension Fund at December 31, 2015 be received for information. (see p. 2.1.10)

► Recommendation No. 6

That the terms of reference for the Ewart Endowment for Theological Education be revised by removing the following term:

4. 10 percent of the annual interest on the Endowment shall be capitalized and the balance be available for disbursement. (see p. 2.1.14)

Recommendation No. 7

That the 2017 Budget be approved. (see p. 2.1.18)

Recommendation No. 8

That the 2018 to 2020 forecast be received for information. (see p. 2.1.18)

Recommendation No. 9

That the Strategic Plan be approved for guiding the work of The Presbyterian Church in Canada. (see p. 2.1.20)

Recommendation No. 10

That the Assembly Council monitor/oversee the implementation of the Strategic Plan. (see p. 2.1.20)

Recommendation No. 11

That in their reports to General Assembly, all standing committees, college boards and agencies state how their work is implementing the Strategic Plan. (see p. 2.1.21)

Recommendation No. 12

That presbyteries and congregations be encouraged to implement the Strategic Plan within their locales providing feedback as needed, and be prepared to share their experiences with the Assembly Council in three years. (see p. 2.1.21)

Recommendation No. 13

That the above revised terms of reference for the Assembly Council be approved. (see p. 2.1.23)

Recommendation No. 14

That the new membership composition of Assembly Council be phased in starting in 2017 in a manner that allows current members to complete their terms. (see p. 2.1.23)

► **Recommendation No. 15**

That Book of Forms Appendix A–29 re guarantee of stipend terms be amended to read: “and agree to adjust the stipend and allowances annually in view of any changes in the cost of living and the needs of our minister”. (see p. 2.1.26)

► **Recommendation No. 16**

That the above be the response to Overture No. 3, 2015 re budgeting for General Assembly costs. (see p. 2.1.26)

► **Recommendation No. 17**

That permission be granted to report to the 2017 General Assembly on Overture Nos. 13, 22 and 36, 2015. (see p. 2.1.27)

Recommendation No. 18

That the General Assembly normally be held within the geographical region of Hamilton, the Greater Toronto Area and Waterloo. (see p. 2.1.27)

Recommendation No. 19

That the requirement for the General Assembly to meet in the east/west every five years be discontinued. (see p. 2.1.27)

Recommendation No. 20

That the above report be the answer to Overture No. 17, 2015 re holding General Assembly in a central location. (see p. 2.1.28)

► **Recommendation No. 21**

That the above be the response to Overture No. 1, 2016 re revising appointment protocols for associate secretaries. (see p. 2.1.29)

Recommendation No. 22

That the above be the response to Overture No. 2, 2016 re timeline for human sexuality overtures. (see p. 2.1.31)

► **Recommendation No. 23**

That the above be the response to Overture No. 8, 2016 re standing committees secretaries. (see p. 2.1.31)

Recommendation No 24

That the adjustment of the current formula of allocating capital from dissolved congregations to the Pension Fund be from 25% to 100% effective June 8, 2016 until December 31, 2018. (see p. 2.1.33)

REPORT

To the Venerable, the 142nd General Assembly:

The Assembly Council serves to coordinate and give oversight to the implementing of the work of the General Assembly. It carries on the work of the church in between Assemblies and serves in a leadership and prophetic capacity. Through its Executive and many committees, the members seek faithfully to see this work move forward.

In the background of all the Council's work is the continuing challenge of declining attendance in the church and the resulting constraints on finances for the General Assembly in its work. While Presbyterians continue to be generous in support of *Presbyterians Sharing*, in its planning the Council seeks to bring forward realistic and responsible budgets which still enable to church to fulfil its work. The financial forecasts point to a particularly challenging year for the church in 2018, and in addition to its ongoing oversight of the church's finances, the Council has been part of the discussions that have been taking place to prepare the church for what faces it in the longer term through its 2018 Budget Working Group. With persistent low interest rates, the church has a continuing potential windup (but not ongoing) solvency deficit in its pension funds, and the Council has been working with the Pension and Benefits Board in guiding the church through these challenging times.

During this year Canada's Truth and Reconciliation Commission released its report on the sad history of Indian residential schools in our country. The Presbyterian Church in Canada has played an important part in that process, and the Council hopes to continue to play a role as the church responds to the relevant recommendations from the

TRC. The Council spent much of the time at its November meeting focusing on these issues. Members participated in the KAIROS Blanket Exercise, received a report from Justice Ministries on the progress of this work in the church, and discussed the TRC's Calls to Action. In response to overtures to the General Assembly the Council has been working together with the Life and Mission Agency on establishing a Native Ministries Endowment Fund. This is consistent with some of the Calls to Action, and that work continues.

One piece of work which has occupied the Council for two years has been the direction of the General Assembly to develop a strategic plan that might guide the national office and the larger church in its focus on inspiring and equipping congregations across the country. The Strategic Planning Committee consulted broadly across the country in its first year, and in the second year conducted country-wide conference calls to gain more insight on how the work was being received. The Council is confident that the proposed plan will be a living document that will help to guide and equip congregations in their mission and witness in the world. The Council acknowledges with thanks the participation of Kathy MacKay and Jeremy Bellsmith who continued on the committee beyond the term of their service on the Council to see that project to its completion.

As a result of the review of national committees, the Council brought to last year's Assembly a plan to reduce its size and makeup. The input of the church was sought regarding that plan, and we bring a revised proposal with a smaller reduction to this year's Assembly. The process has brought us through a helpful discernment of what would be the most effective size of the Council for the work it has to do, and how best to have the needed skills and a good representation of the church around its table.

Sadly, the Council said farewell to Stephen Roche who is retiring after thirteen years of service as Treasurer and Chief Financial Officer for The Presbyterian Church in Canada. We give thanks for his wisdom and insight in the leadership he provided the church in financial matters, and in helping it to be a good steward of those resources. We include a minute of appreciation for Steve, and wish him well in his retirement. A search committee has been active in seeking a new Treasurer/CFO and the Council is happy to be making a recommendation as a result of that search.

Behind the work of the Assembly Council is the hard work, faithfulness and dedication of its members, drawn from across the church to engage in this work, both at the two full meetings of the Council and in the conference calls that move forward the work of its many committees. The Council also pays tribute to the hard work and dedication of the staff in the General Assembly Office, whose wisdom, guidance and administrative support make the work of the Council possible.

The Rev. Dr. Robert Smith
Convener

MINUTE OF APPRECIATION

Mr. Stephen Roche, Chief Financial Officer and Treasurer

The General Assembly and Assembly Council are grateful to God for the dedicated service of Mr. Stephen Roche as Chief Financial Officer and Treasurer, on the occasion of his retirement.

Mr. Roche was appointed to this position by the 2003 General Assembly. His 13 years of service have been marked by careful attention to the important details in the realm of finance, a clear vision for the wellbeing of the church and proactive action as we seek to be faithful stewards of God's resources in changing times.

In 2003, when the Assembly Council brought forward the recommendation that Mr. Roche be appointed by the Assembly, he was promoted as a man with 'progressive qualifications, able to work well with peers and subordinates, with a pleasing personality a friendly sense of humour and a keen inquisitiveness'.

All these positive attributes, and more, have been borne out during Mr. Roche's tenure with the national church. His gregarious nature made him a welcome presence for a quick conversation with staff, or a concerned call with a member of the church who needed help. His penchant for good customer service was often heard at staff meetings where he would encourage everyone to respond quickly and competently whenever a member of the Presbyterian Church constituency contacts the national office.

Steve Roche has a flair for teaching and becomes animated in front of the whiteboard in his office as he engages with colleagues explaining a concept or working out a problem. At the Assembly Council, while one would think it natural to fall asleep during an after lunch Finance Committee report, Steve had a way of engaging the group with

humour all the while being able to communicate clearly the state of the church's finances and important concepts that Council members needed to understand in order to make competent fiduciary decisions. Steve worked with members of the Financial Services department, in particular Barbara Nawratil and Diana Kellington, to prepare and offer many treasurers' workshops. These have been appreciated as useful and informative. He also authored the Treasurer's Handbook that has been a practical and helpful resource for congregational treasurers.

Steve was always well prepared for Finance and Audit Committees, preparing clear management discussion papers on a regular basis, coupled with understandable spreadsheets tailoring the detail appropriately to the group making the decisions.

One elected member of the Finance Committee described Mr. Roche as having "consistently provided open, clear and decisive financial leadership for our church". He paid tribute to his "ability to make the complex understandable and to instill in our members a confidence in our ability to manage well. He has been patient, flexible and accommodating with integrity to the variety of personalities he has helped serve in representative and leadership roles."

As treasurer of Presbyterian World Service and Development (PWS&D), Mr. Roche ensured the organization maintained a high level of accountability and thereby earn the trust of the constituency and of the Government of Canada. Steve will particularly be remembered for helping to establish the biblically inspired Loaves and Fishes Fund that allows donations to grow over time and also be used within seven years, providing a solid foundation for PWS&D. Notably, several staff of PWS&D have moved on to work for Financial Services during Steve's time as Chief Financial Officer and Treasurer.

Mr. Roche will be missed as a trusted colleague on the Management Team. No issue was considered too unimportant to deal with carefully and passionately. The team enjoyed his utmost respect at all times.

During Mr. Roche's tenure, the church has faced serious issues. He has led work on budgets that have needed to be adjusted to both fulfill the mission and ministry of the denomination while at the same time be well aware of fiscal realities. He has also been instrumental in assisting the Pension and Benefits Board in understanding and acting on regulatory and solvency requirement issues. This work, well established by Mr. Roche, will continue after his retirement.

Steve Roche brought not only a passion for good financial management to his office but a passion for his faith and church as well. Along with his wife Fiona, daughter Esther, son Matthew, daughter-in-law Gia and new grandson Max, Steve has been nurtured by the community of faith at Trinity York Mills for many years, and has served actively there.

The Presbyterian Church in Canada has much to be thankful for in the ministry of Stephen Roche, and we wish him and his family God's blessing in what we know will be an active retirement.

Recommendation No. 1 Adopted/Defeated/Amended

That the above minute of appreciation for Mr. Stephen Roche be adopted.

SEARCH COMMITTEE RE CHIEF FINANCIAL OFFICER AND TREASURER

Following the acceptance of the request to retire of Stephen Roche by the 2015 General Assembly, the Executive of Assembly Council reviewed and posted on the website the job description for the Chief Financial Officer and Treasurer, and recommended to the November 2015 Council meeting the appointment of a search committee. In addition to circularizing presbyteries for nominations, individual applications were invited. The Search Committee for the Chief Financial Officer and Treasurer, made up of David Sutherland and George Smith, co-conveners, Esther Inglis, Patricia Main, Susan McLellan and Phil Gaiser, was appointed by the Assembly Council in November 2015 and reported in April 2016 that they were unanimous in their recommendation of the next Chief Financial Officer and Treasurer for The Presbyterian Church in Canada.

- On March 13 a significantly large list of candidates was identified with the help of consulting firm Optimus/SBR.
- On March 15 the committee identified a short list of four candidates for interviews.
- On March 22 the committee met at the offices of Optimus/SBR for interviews.
- On March 29 the final candidate was invited for a second interview at 50 Wynford Drive to meet with two members of our committee and the Principal Clerk of Assembly and the General Secretary of the Life and Mission Agency.

APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER – OLIVER NG, CPA, CMA

- A highly self-motivated management accountant with extensive and progressive accounting, finance and IT experience.
- Proven ability to manage financial resources and improve the well being of the organization.
- Demonstrated success in managing projects and implementing business solutions.
- Recognized for superior leadership, analytical abilities, organizational and communication skills.

Education and Professional Development

Chartered Professional Accountant (CPA)

Certified Management Accountant (CMA)

Bachelor of Commerce, University of Toronto

Courses: Life Insurance Accounting Course; LOMA; Canadian Securities Course

Career History

The Scott Mission 2004–December 2015

Director of Finance

Managed the financial activities of the Scott Mission including, payroll, accounts payables and receivables, cash management, investment activities, pension services, and information system.

- As a member of the Senior Management team and reported to the Executive Director.
- Presented financial reports and analysis at Board meetings, Investment and Pension committee, Finance and Audit committee. Provided strategic and operational guidance across the Mission.
- Evaluated and selected cost effective service providers for group insurance, pension consultant and other services, saving the Mission over \$100,000 per year.
- Provided leadership on all financial matters. Managed a department of up to seven staff.
- Prepared monthly financial statements and reporting packages. Developed and implemented financial policies and procedures.
- Ensured organization-wide adherence to Canada Revenue Agency regulations, including issue tax receipts, financial reporting and disbursement of designed funds. Ensured proper internal controls were in place.
- Worked collaboratively with other departments to set the annual budget and daily financial activities. Established the budget and reported to the government for funding and subsidies.
- External contact with auditors, insurance companies, banks and three levels of government.
- Reviewed bequest files and liaised with lawyers, executors and other organizations.
- Chairman of the Joint Health and Safety Committee for over six years.

Canadian Diabetes Association 2003–2004

Business Analyst

Provided financial planning and analysis to support the decision making process and to improve the financial efficiency of the delivery of programs and services.

- Analyzed financial results in comparison to the budget. Provided financial commentary to the monthly financial statements.
- Reviewed financial aspects of business models during the investigation stages of business proposals.
- Successfully implemented new system initiatives across the Association.

Manulife Financial

Director, Due Diligence (Investments Division, 2001 – 2002)

Manager, Regulatory Reporting (Investments Division, 1997 – 2001)

- Reported worldwide financial and operational results to external parties for Manulife Financial including writing the MD&A section of the Annual Report, OSFI, OSC, Statistics Canada and Rating Agencies.
- Provided key financial information to senior management including benchmarking analysis, information on the industry and investment market place.

- Led the project to integrate \$900 million of invested assets for the acquisition of Zurich Canada. Managed a team of twelve representing all areas of the Investments Division.
Senior Control Officer (Investments Division, 1990 – 1997)
- Investigated accounting issues and provided advice for issues relating to cash management, securities, mortgages and real estate.
- Coordinated the annual budgeting process and participated in financial forecasts. Trained, coached and supervised two accounting staff. Control Specialist (US Savings & Retirement Services, 1989 – 1990)
- Designed accounting models for new systems. Ensured accounting standards and control procedures were in place.

The Assembly Council is pleased therefore to present the following recommendation:

Recommendation No. 2

Adopted/Defeated/Amended

That Mr. Oliver Ng, CMA, CPA, be appointed as Chief Financial Officer and Treasurer of The Presbyterian Church in Canada, effective July 31, 2016.

Subject to the approval of the above recommendation the search committee will facilitate the transition from the retiring CFO/Treasurer to new CFO/Treasurer.

COMMITTEES OF COUNCIL

EXECUTIVE

The Executive of the Assembly Council meets between the meetings of the Assembly Council to assist in setting agendas, and to deal with matters referred to it by the Assembly Council. This year, the Executive appointed and monitored a number of working groups established to respond to overtures and referrals to the Assembly Council. At the request of the Life and Mission Agency, the Executive also reviewed and approved the revised position description for the Associate Secretary for Canadian Ministries and granted permission to call for nominations and proceed to a search. (See Life and Mission Agency Committee, p. 12.1.3–4)

The General Assembly, in 2014, referred the ongoing consideration of a possible relocation of the national offices to the Assembly Council. The United Church of Canada and the Anglican Church of Canada are considering moves within the greater Toronto area and are eager to explore the possibility of sharing certain aspects of a facility. Currently, the property at 50 Wynford Drive is likely being underutilized. The closing of the BookRoom and the reduction in the numbers of national staff are the primary reasons for this. An assessment of future needs is warranted. Additionally, there could be value in sharing various back-office services with others. Many congregations are facing questions about how to be good stewards of their property and it seems appropriate that these questions be asked at the national level as well. At this point, no formal discussions have been held, but with the agreement of the Assembly Council, the Executive recommended to the Assembly Council that we engage more fully in these current discussions and mandated the Management Team to explore and report to the Assembly Council on the possibility of selling the 50 Wynford Drive property and moving within the next five years into other suitable facilities.

ARCHIVES AND RECORDS COMMITTEE

Regular work in the Archives and Records Centre involves: ongoing cataloguing, creating detailed finding aid inventories for records collections, assisting church/general public researchers via email and in-house, preservation management of the records collections, records management advice for national office staff and other church courts, completing more involved research requests and invoices, creating educational resources re church records, updating website, and managing The Presbyterian Church in Canada national office Records Centre.

Committee Membership

We welcomed back the Rev. Geoffrey Ross (Brampton) who had served previously on this committee and has an ongoing interest in archives and records management. Dr. Marjorie Ross (Toronto) and Ms. Darleen Springstein (Edmonton) completed their membership terms. The Rev. Dr. Teresa Charlton (Vernon, British Columbia) was appointed in April.

Young Canada Works (YCW)

Mr. Chris Benitez, a graduate archives student, in the summer 2015, catalogued and scanned an additional 3,000 images in the graphics collection. He created two new exhibits for the Archives website. Both exhibits celebrate anniversaries – one on the history of the Knox College building and the other on the history of the Presbyterian College. On April 1, 2016 the government grant application for the summer of 2016 was approved. The student will again work on our photo collection backlog and design a web exhibit on the 50th anniversary of the ordination of women in The Presbyterian Church in Canada. We are grateful that, for thirty years, the Canadian Council on Archives YCW government grant money has facilitated special cataloguing/web based projects.

Volunteers

We extend our sincere thanks to the Rev. Bob Anderson and to Mrs. Betty Arnold for their faithful dedication to their volunteer projects. Betty Arnold has decided to retire after volunteering in the Archives since 1986. This announcement came as sad news to Archives staff as well as to others in the office who saw her weekly. We give thanks to God for the extensive contribution Betty made here – most especially in researching the genealogical requests and making positive connections with so many Archives patrons residing around the world. Her cheerful manner and dedication will be very much missed, and we sincerely hope she benefits from this well earned retirement.

Digital records

Efforts by the staff to learn more about the best means of managing and preserving digital records into the future are ongoing. To this end, they will pursue educational opportunities as they become evident.

Revision to Appendix G

In discussion with Stephen Kendall it was decided that a full revision of Appendix G was much needed. A draft was presented to the Assembly Council in April. The purpose of these changes was to correct inaccuracies and re-align various sections to make the information more streamlined and user-friendly. (see p. 2.1.8–10)

Archives Capacity Study

In 1998 the Archives facility was designed for approximately 15 years of average use. Thus, it was timely that a review of our physical space take place. A quantitative study of how our stack space has been used to this point was conducted by the Assistant Archivist. The staff then identified a number of options to implement and increase and/or maximize storage space. The good news projection is that we should be able to function within this space for another 10–15 years. That said, ordering an additional (final) unit of mobile stack shelving for the stack area should be planned for the near future.

Records Management

The archivists provided a seminar to national office staff in March. This session will be followed up by casual round table discussions in order to specifically address staff records management concerns and questions. In May, the Records Centre will be purged of certain records using the Shred-It company. This annual event ensures that records no longer needed (about 7 years old and not deemed archival) are securely disposed of, thus making room for the ongoing records production in the office. Only the records of highest informational and historical value are transferred into the Archives.

Trip to India re mission papers

The Assistant Archivist Bob Anger, travelled to Jobat, India (January 23–February 12) in order to appraise the records of the Canadian Presbyterian mission that were there for many years in the Treasurer's Office in the Buchanan bungalow in Amkhut. These, and other records, were brought to Pauline Brown's house, where he reviewed them and identified the ones with archival significance. Three suitcases full of records, many dating from the 1920s and 1930s, were brought back to Canada along with roughly 3,000 scanned images and over 300 slides and photographs. As a precaution the records will be cleaned by Strone Ltd. prior to accessioning into the Archives. This expedition was co-funded by the Archives and International Ministries.

Architectural plans

Jessica Wever, a Faculty of Information Studies practicum student, this past school term completed the cataloguing, arranging and re-packaging of all our architectural plans and drawings. As well, she entered all of the metadata about the collection in Excel that ultimately will be transferred into the Archives database. We are indebted to her

for working beyond her designated time to see this project through to a successful end. The archives purchased additional specialized shelving for this project.

Archives website

Our current website remains active, however, it is in the process of being converted over to The Presbyterian Church in Canada's main domain through the Communications staff. The existing content will be continued but it is being re-designed using modern software. The hope is that there will be more display features that will enable further promotion of our record holdings and educate/engage all who access the site.

Microfilming

Records microfilmed this year include: Presbytery of Ottawa; St. John's Church, Grimsby; Knox's Galt, Cambridge; Avonton Church, Avonton; Fellowship Church, Toronto; Memorial Church, Rocky Mountain House; Bethel Church, Ilderton; St. Andrew's Church, Kars; St. Andrew's Church, Fort Colonge; St. Matthew's Church, Elmsdale; St. Andrew's Church, Kitchener; Burn's Church, Mosa; St. Andrew's Church, North River-North Shore, Cape Breton; Gale Church, Elmira; and the Presbytery of Barrie. Congregations are advised that they may have their records digitized at the time of microfilming for a relatively modest additional cost.

Step Into Your Archives newsletter

We aim to produce two topical newsletters each year. The January 2016 issue appeared in the winter PCPak featuring an update on the residential schools records provision to the TRC, the official opening of the National Centre for Truth and Reconciliation (NCTR) in Winnipeg, additional information relating to church records management, and an update about the Archives website.

Residential Schools committee work

The Truth and Reconciliation Commission records have been transferred to the National Centre for Truth and Reconciliation (NCTR) in Winnipeg. The archivists are members of the NCTR Working Group. Largely comprised of archivists, this group provides advice on issues of access to the records and also on managing the general provision of information to future researchers. Their website is nctr.ca

APPENDIX G

ARCHIVES AND RECORDS MANAGEMENT

G-1 Purpose of the Archives

1. The Presbyterian Church in Canada Archives ("Archives") is the designated records repository for the denomination. The Archives is located at the national office, 50 Wynford Drive, Toronto, Ontario. The policies of the Archives are approved by the Assembly Council and the day to day operations of the Archives are the responsibility of the Principal Clerk through the Archives staff.
 1. The Archives maintains the corporate memory (activities and decisions) of The Presbyterian Church in Canada by acquiring, arranging, describing and preserving the archival records of the denomination, ie. those records, regardless of media, that have significant and enduring administrative, financial, legal and historical value.
 2. Records held in the Archives are accessible to church staff, and the church-at-large, to assist with the ongoing work of The Presbyterian Church in Canada and to the general public as an important historical research collection.
 3. The Archives also provides a direct records management service for the national office of The Presbyterian Church in Canada, and records management advice and resources for the church-at-large.
 4. The Archives will oversee the archival needs, both physical and operational, of the church and to recommend such measures as may be deemed advisable to advance the preservation and use of records of enduring value including advice on approved digital formats.

G-2 Archives Collection Mandate

1. The Archives will consider the following for deposit and retention:
 1. Records of the General Assembly, its boards and committees, and all other national office departments.

2. Records of presbyteries
 3. Records of synods
 4. Records of dissolved congregations
 5. Records of active congregations – in microfilm or approved digital format
 6. Records of persons significant to the history of The Presbyterian Church in Canada (ie. personal papers)
 7. Records of colleges of The Presbyterian Church in Canada
 8. Records of special media, including: photographic materials, audio-visual materials, architectural plans and drawings.
2. The Archives reserves the right to accept or decline records transferred to it. Material that is not considered suitable for the Archives will be returned or destroyed at the option of the donor.

G–3 Ownership of Records

1. Records generated by all courts of The Presbyterian Church in Canada remain the property in perpetuity of the said courts, or their legal successors. Records are not the property of individual church officials.
2. When congregations, presbyteries and synods are amalgamated, the records of such bodies become the property of the amalgamated body.
3. When a congregation is dissolved, the presbytery clerk shall assume responsibility for collection of the records and transfer the appropriate records to the Archives for deposit (contact the Archives for a list of these records). The presbytery has the option of depositing these records in an alternate repository (see G–3.4).
4. If church court records are deposited in an alternate repository, a formal deposit agreement must be signed by both parties, with a copy of the agreement sent to The Presbyterian Church in Canada Archives (a sample Deposit Agreement form can be obtained from the Archives). This deposit agreement must ensure that certain conditions are met, including ownership of the records remaining with The Presbyterian Church in Canada. A microfilm or approved digital copy of the records must also be made and sent to The Presbyterian Church in Canada Archives. In the case of congregational records (including records of dissolved congregations) only the session minutes and church registers are required to be copied.
5. For personal papers to be deposited, a Deed of Gift form must be signed by the donor. This form includes the transfer of ownership of records to The Presbyterian Church in Canada.
6. It is the responsibility of the clerk of the court to make recommendation to the proper court for the safekeeping of all the records of that court. This includes making regular back-ups of digital records to ensure their safety and security.

G–4 Deposit of Records in the Archives

1. The Archives will accept material that complies with its Collection Mandate (see G–2.1). The Archives retains the right to cull material, normally in consultation with the donor in order that only records with archival value are deposited in the Archives.
2. All congregations should arrange for the microfilming and/or digitizing of their session minutes and church registers. The microfilm and/or approved digital copy is deposited in the Archives for preservation and reference purposes as needed, and the originals are returned to the congregation. Additional congregational records may also be copied. The Archivist can provide advice on the preparation of approved digital copies.
3. Presbyteries and synods are encouraged to deposit their minutes (in original, microfilm and/or approved digital format), reports and commission records with the Archives. As well, presbyteries should regularly send their copy minutes to the Archives.
4. A “no mould” policy is in effect in the Archives. This policy addresses records where there is physical evidence of either mould or mildew. In such cases, it is necessary to arrange with Archives staff to have records professionally cleaned at the relevant court’s expense prior to deposit in the Archives. It is imperative that records are consistently well maintained and kept in a secure, stable environment by all respective courts.
5. No records deposited in the Archives from whatever source may be loaned or removed from the premises for any reason without the express permission of the Archivist/Records Administrator.

G-5 Access and Restrictions for Records in the Archives

1. Records deposited in the Archives are normally on open access. For privacy concerns, specific records have access restrictions:
 1. Session minutes less than 50 years old are restricted and cannot be viewed without a letter of permission from the session. Session minutes more than 50 years old are on open access.
 2. Personnel/personal information files are restricted for the most recent 75 years.
 3. Records of special commissions and committees are not restricted unless otherwise specified by the depositing court.
 4. Baptismal records less than 100 years old are restricted. An individual may request a copy of their own baptismal record, as can a parent of the individual if they are noted on the record. Next of kin, ie. spouse, common-law partner, parent, child or sibling, may request a copy of a deceased person's baptismal record. An authorized representative, ie. an estate trustee, an executor or administrator, a person with power of attorney, or a legal guardian, may also request a copy. Copies will be provided by Archives' staff in the form of a transcript, or as a photocopy if appropriate. Baptismal records more than 100 years old are on open access.
 5. Marriage records less than 75 years old are restricted. Either bride or groom may request a copy of their marriage record. If either the bride or groom is deceased, then a parent, child or sibling of either the bride or groom may request a copy. An authorized representative, ie. an estate trustee, an executor or administrator, a person with power of attorney, or a legal guardian, may also request a copy. Copies will be provided by Archives' staff in the form of a transcript, or as a photocopy if appropriate. Marriage records more than 75 years old are on open access.
 6. Death/Burial records less than 75 years old are restricted. Next of kin, ie. spouse, common-law-partner, parent, child or sibling, may request a copy of an individual's death/burial record. An authorized representative, ie. an estate trustee, an executor or administrator, a person with power of attorney, or a legal guardian, may also request a copy. Copies will be provided by Archives' staff in the form of a transcript, or as a photocopy if appropriate. Death/burial records more than 75 years old are on open access.
 7. The Archivist/Records Administrator retains the right to refuse access to specific material on the authority of the Principal Clerk.
2. In the event that documents are required from any agency of the General Assembly by police or other governmental agencies, the Principal Clerk has final granting authority.

Contact the Archives at presbyterian.ca/archives for further information and assistance regarding your church records.

Recommendation No. 3 Adopted/Defeated/Amended
That Book of Forms Appendix G as presented above be approved.

AUDIT COMMITTEE

The Audit Committee met twice, once in December 2015 and again in March 2016. The December meeting is for planning whereby PricewaterhouseCoopers (PwC) reviews with the committee their plan and approach for the interim and year-end audit. At this meeting materiality, the makeup of the audit team and perceived areas of risk are discussed. At the March meeting this year the draft Financial Statements for The Presbyterian Church in Canada and The Presbyterian Church in Canada Pension Plan were presented along with a detailed Audit Committee report submitted by PwC. This year the Finance Committee was invited to attend the meeting as guests. PwC has noted that subject to getting final confirmations and legal letters they will be giving an unqualified opinion.

Recommendation No. 4 Adopted/Defeated/Amended
That the financial statements for The Presbyterian Church in Canada at December 31, 2015 be received for information.

Recommendation No. 5 Adopted/Defeated/Amended
That the financial statements for The Presbyterian Church in Canada Pension Fund at December 31, 2015 be received for information.

BENEVOLENCE COMMITTEE

The Benevolence Committee oversees the administration of the benevolent funds and bursary funds that have been entrusted to the Assembly Council. In addition, the committee acts as the appointers of the Fund for Ministerial Assistance. The committee meets twice a year to monitor and administer the funds entrusted to its care.

Benevolent Funds

There are eleven benevolent funds with a total capital of \$6,110,871. 2015 brought a 10.2% increase in the value of the funds partly from market gains, but primarily from a general bequest from the Bremner family. From the income of these funds, approximately 17 persons received monthly support in 2015 totaling about \$99,470. Starting in 2014, for two years at the request of the Pension and Benefits Board, the benevolent funds have been supporting 10 retired missionaries and three widows of retirees with a pension supplement. This temporary shift from the Pension and Benefits Board comes with the support of the Assembly Council. Other emergency grants were made on a confidential basis to seven persons totaling some \$24,800.

Retired servants of the church and surviving spouses who are experiencing financial need are encouraged to contact the Principal Clerk in the Assembly Office to discuss whether they might qualify for a monthly income supplement. An application form is available from him. Additionally, there are times when a servant of the church experiences a one-time financial need. These cases may also be brought to the Principal Clerk on a confidential basis.

The Benevolence Committee also distributes the income from the Bremner Memorial Fund, established in 2009 through the generosity of Ronald and Muriel Bremner, in memory of Ron's parents, longtime faithful Presbyterians J. Murray and Catharine Bremner. The 2015 income from the Bremner Memorial Fund (\$15,408) was distributed to the Fund for Ministerial Assistance.

Bursary Funds

There are 31 bursary funds with a total capital of \$2,239,014. This is 1.2% higher than the total available capital from the previous year. Approximately \$80,000 of income from these funds was awarded to some 40 candidates for the ministries of the church. For the 2015–2016 academic year, up to \$80,000 in student bursaries have again been approved. The secretary calls for applications from the colleges at the start of each term. The colleges compile the applications and forward them to the Assembly Office, where the applications are dealt with and grants made according to the specific terms of the various funds. In addition to the regular student bursaries, \$24,500 was disbursed to three doctoral candidates from the Cameron Doctoral Bursary Fund.

The committee invites your prayers, concerns and gifts for needy servants of the church. A number of congregations and individuals make gifts to these funds each year. Many letters of deep gratitude are received from recipients each year saying how much it has meant not only to receive much needed financial support, but also to know that the church is caring and concerned for their needs. The gifts disbursed from the various funds approximate the income available, and so any additional donations to the funds will be well used.

At the March 2014 meeting of the Assembly Council, it was agreed to combine the responsibilities of the Cameron Doctoral Bursary Fund Committee and the Fund for Ministerial Assistance (FMA) with the Benevolence Committee. The terms of reference for each committee were reviewed along with the indenture that established the Fund for Ministerial Assistance to ensure that all functions and responsibilities are honoured. The Fund for Ministerial Assistance will continue to report to the General Assembly, and the minister of St. Andrew's Presbyterian Church, Ottawa shall be a member of the Benevolence Committee to conform to the original terms of the FMA. This move came as part of the work the Assembly Council has been undertaking to review the size and number of all national church committees (A&P 2013, p. 224).

The Fund for Ministerial Assistance

The Fund for Ministerial Assistance was established by an anonymous gift of one million dollars in 1951. Following the death of the donor, the fund was renamed The Honourable Norman M. Paterson Fund for Ministerial Assistance. Senator Paterson and his wife, Eleanor, maintained a life-long interest in the ministers of the church and their families and they hoped that their gesture might encourage others to respond with generosity.

The decisions of the appointers are governed by the strict terms of the original indenture; it has authority over their decisions similar to that of the provisions of a will. Any changes which may seem desirable because of changes within the church and its ministry require that careful legal steps be taken to ensure that such changes are within the

authority of the indenture and, where necessary, within applicable legislation. No such variations have been needed in the last year.

The indenture by which this fund was established stated that gifts were to be made to eligible married ministers. Since then, eligibility has been extended to include ministers who are separated or divorced and have custody of, or financial responsibility for, their children. To be eligible for benefits from the fund, the income of the family – not just of the minister – must be less than \$10,000 above minimum stipend (including applicable increments).

During the past year, all eligible ministers received foundational gifts of \$750 per annum, and all eligible children received foundational gifts of \$750 per annum. Additional Christmas gifts were distributed to eligible ministers and their eligible children. The numbers fluctuate; however during the final quarter, 44 ministers received gifts with additional gifts distributed for the support of 95 children. In addition, nine ministers on long-term disability received Christmas gifts. The first priority has been to maintain the ability to provide the foundational annual gifts that are distributed quarterly; any remaining funds are distributed as additional Christmas gifts. Only through the generosity of donors, it was possible to give a Christmas gift in 2015.

The appointers are always glad to receive letters of thanks, which are in turn forwarded to Mr. Paterson's descendants. The correspondence we receive confirms that the families of many ministers on lower stipends bear significant financial burdens, which the gifts partly alleviate. It is our privilege to be stewards of Senator Paterson's generosity, and that of those individuals and congregations who, over the years, have added to the fund.

In accord with Senator Paterson's hope that the generosity of others would be sparked by his gift, we continue to appeal to members of our congregations for additional gifts to the capital of the fund, so that ministers and their children who are most in need may continue to receive help.

We gratefully acknowledge contributions made to the fund by congregations and individuals; their generosity makes it possible to continue the work initiated by Mr. Paterson.

CHURCH ARCHITECTURE COMMITTEE

The Committee on Church Architecture serves The Presbyterian Church in Canada by reviewing plans for new buildings and additions, or major renovations, to existing structures. The committee offers impartial comments on the drawings and communicates them with those undertaking the construction. Once satisfied with the work to be done, the committee conveys its approval to the pastoral charge or other body engaged in the project as well as to the overseeing presbytery. If grants are involved, a report will go to Canadian Ministries. If loans are involved, a report will go to the Presbyterian Church Building Corporation and the Lending Fund Committee.

The committee of 11 members is made up of seven architects, one layperson and three ex officio national office staff.

One of the very interesting submissions received by the committee in the last year came from the Wellspring pastoral charge. Wellspring is an amalgamation of four congregations serving Christ on Prince Edward Island. The submission outlined how the four original church buildings and a manse would be sold and a new building constructed on land donated for this purpose. The committee was pleased to make suggestions to assist in the construction of this symbol of new hope.

The church is strongly encouraged to make use of this free opportunity to consult. The committee has often received expressions of gratitude for its observations suggestions.

COMMISSION ON ASSETS OF DISSOLVED AND AMALGAMATED CONGREGATIONS

The Commission on Assets of Dissolved and Amalgamated Congregations, consisting of the Secretary of the Assembly Council, the Convener of the Trustee Board and the Chief Financial Officer, acts on behalf of the Assembly Council and the Trustee Board in dealing with matters of property held by the national church.

Presbyteries are reminded that in the case of amalgamations of congregations, guidelines regarding the disposition of assets are found at section 200.11 in the Book of Forms. In the case of the dissolution (closure) of a congregation, the assets vest with the Trustee Board and until 2018, the first 25% of the net proceeds go the Pension Plan Solvency Fund; 52.5% is returned to the presbytery for mission work in their midst and beyond, at their suggestion. The remaining 22.5% is normally transferred to the New Church Capital Fund (A&P 2000, p. 207–209). After 2018 the

proceeds will again be divided 70% to the presbytery and 30% to new church capital. The Assembly Council received a report from the Special Committee re Pension Solvency Funding, and is bringing a recommendation to this Assembly that until December 31, 2018 100% of the proceeds of dissolved congregations go to assist the pension solvency. (see p. 2.1.32–33)

EWART ENDOWMENT FOR THEOLOGICAL EDUCATION

The Ewart Endowment for Theological Education Sub-Committee’s primary purpose is to consider grant applications and present recommendations to the Assembly Council.

2015 Grants

The Assembly Council approved grants in November for the 2015 granting period because there were no new grant applications for consideration by the March 2015 Council meeting. Therefore, there was a invitation to submit proposals by September 30, 2015. The following grants proposals were presented at the November 2015 Council meeting:

- Knox, Woodstock, Ontario for Kids Camp in the amount of \$5,000
- Presbyterian College for Web Learning Management \$25,000 (\$15,000 for 2015 and \$10,000 for 2016)
- Presbytery of Winnipeg for Arabic Ministries Gathering: \$9,520
- Presbytery of Winnipeg for Congregations and Future Resource: \$3,260
- St. Mark’s, Toronto for Footprints Camp – LIT program: \$50,000 (\$10,000 per year 2016–2020)
- Varsity Acres, Calgary for Stephen Ministry: \$4,500

2016 Grants

New grant proposals approved for 2016 are:

- Innerkip Church, Innerkip, Ontario for Kids Kamp: \$6,000
- Knox College for the MacKay Resource Centre: \$60,000
 - Curriculum collection resources – \$30,000 (\$6,000 per year; 2016-2021)
 - Curriculum collection cataloguing – \$15,000 (\$3,000 per year; 2016-2021)
 - Historical curriculum collection cataloguer – \$7,000 (2016)
 - Scanner for collection – \$8,000 (2016)
- Knox, Woodstock, Ontario for Kids Camp: \$25,000 (\$5,000 per year; 2016-2021)
- Life and Mission Agency for CY2016: \$50,000
- Order of Diaconal Ministries for DOVE (Diakonia Overcoming Violence Experience) Conference: \$2,000
- Presbytery of Kamloops for Travelling Vacation Bible School: \$10,000
- St. Andrew’s (Humber Heights), Toronto for Vision United 2016: \$12,000
- WMS for Women’s Gathering 2017 for \$30,000 (\$15,000 per year, 2016 and 2017)

The Ewart Endowment for Theological Education continues to support the following multi-year grants, previously approved by the Council. The amounts for 2016 are:

History Committee re 5 Solas (500th Anniversary of Reformation)	\$3,000
Knox College re Professor of Christian Education and Youth Ministry	\$91,628
Order of Diaconal Ministries re Bursaries for Theological Students	\$5,000
Presbyterian College re Lay Theological Education Program	\$12,000
Presbyterian College re Mentoring New Graduates	\$12,000
Presbyterian College for Web Learning Management	\$10,000
St. Mark’s, Toronto re Footprints Camp – LIT	\$10,000

Applicants seeking grants for the year 2017 are to submit proposals by November 30, 2016.

The capital of the Ewart Endowment for Theological Education is \$5,914,277 as of December 31, 2015.

Terms of Reference

The Assembly Council asked the committee to review the terms of reference for the Ewart Endowment for Theological Education about returning 10% of the annual interest to the capital fund.

After certain expenditures were covered from the sale of Ewart College, the remaining amount was set aside for the establishment of the Ewart Endowment for Theological Education along with its terms of reference that were adopted by the General Assembly in 1992. In 1995, a special committee of the Assembly reported further on the use of the monies along with the administration of the fund, which resulted in the Committee on Theological Education establishing guidelines. (A&P 1992: p. 215–16, 68–69; 1995: 390–93, 43; 1996: p. 455–56) Since that time, the committee has reported the grants approved and the amount in the capital fund annually to the Assembly (originally through the Committee on Theological Education and now through the Assembly Council).

When the Ewart Endowment for Theological Education and its terms of reference were established by the General Assembly the practice was to capitalize 10% (return to the capital) to ensure that the capital would have a good base in the future. Over the years there has been good growth of the capital. In 1996 the capital was \$2,648,716 and as of December 2016, it is \$5,974, 277. According to S. Roche, the inflation increase to the original amount would be about \$3.8 million, therefore, the purchasing power of the fund has been well maintained. It is prudent to use all of the interest earned annually to support the administration and funds for theological education grant applications.

The terms of reference for the Ewart Endowment for Theological Education are as follows:

Terms of Reference
(A&P 1992, p. 215, 68–69)

The 1992 General Assembly established the following terms of reference for the Ewart Endowment for Theological Education:

1. The first call on the net proceeds shall be an amount sufficient to repay the borrowings from the Ewart Resource Fund, with interest.
2. The balance from the net proceeds shall be used to establish an endowment for theological education to be named the Ewart Endowment for Theological Education, in recognition of the long history of Ewart College and its contribution to The Presbyterian Church in Canada.
3. The capital of the Ewart Endowment shall be invested as part of the Consolidated Portfolio of The Presbyterian Church in Canada.
4. 10 percent of the annual interest on the Endowment shall be capitalized and the balance be available for disbursement.
5. The interest income available from the Ewart Endowment shall be administered by the Committee on Theological Education;
6. The first call on the available income shall be to support diaconal education programs leading to a recognized degree at an accredited theological institution; and
7. Awards or grants in the name of the Ewart Endowment shall not displace or diminish the institutional grants to the Theological Colleges.

The Council, in light of the above information, is recommending that the requirement of the 10% capitalization (point No. 4) be removed from the terms of reference.

Recommendation No. 6 Adopted/Defeated/Amended

That the terms of reference for the Ewart Endowment for Theological Education be revised by removing the following term:

4. 10 percent of the annual interest on the Endowment shall be capitalized and the balance be available for disbursement.

FINANCE COMMITTEE

The Assembly Council continues to give thanks for the generous contributions to *Presbyterians Sharing* from across the church that provide for the mission and ministry of The Presbyterian Church in Canada in Canada and beyond. In addition to the operating budget, the Finance Committee of Assembly Council oversees the stewardship of the various funds of the church.

FINANCIAL RESULTS FOR 2015

The year just ended, 2015, has seen huge shifts in energy prices, global growth and a continued steep decline in the Canadian dollar. Long term interest rates which impact savings for many of our older members continue to be at historic lows. Combined with the foregoing economic conditions are the continued demographic changes in our denomination. In spite of all these challenges Presbyterians are still supporting the mission and programs that the denomination carries on across Canada and overseas as they are able. This generosity of spirit and of their earnings and savings must be acknowledged.

BEQUESTS

\$519,207 was received in the year. \$17,422 of which was undesignated bequests. The ongoing transfer of wealth to the baby boomers and related charities may have reached and passed its zenith.

BALANCE SHEET

Cash – \$8.1 million (2014 – \$14.4 million)

Over 40% of cash comes into The Presbyterian Church in Canada and PWS&D from the congregations in the last 8 weeks of the year. We earn prime, 2.7% less 1.85% interest on our cash balances. A portion of this cash \$1.6 million is part of the cash in the investment portfolio.

Executive Mortgage – \$14 million (2014 -- \$14 million)

The only remaining executive mortgage was paid off in January 2016.

Fixed Assets – \$1.7 million (2014 – \$1.9 million)

There was \$26,000 of additions to the purchase and implementation of Raiser's Edge, which is our new Constituent Relationship Management (CRM) system. This system replaces Gift Traq our 13 year old database system that is no longer supported by SAGE.

Properties – \$2.4 million (2014 – \$2.4 million)

There was one property in Calgary with an offer and acceptance for \$1.1 million. The deal closed in early 2016 and we have now received the funds. (Book value of the property is \$502,000.)

Investments – \$89.2 million (2014 – \$80.4 million)

The Consolidated Portfolio (CP) had a total gross return in 2015 of 5.5% beating its conservative benchmark of 3.4% by 2.1%. Total administration expenses including management fees is about 40 basis points.

This is a good result for a conservatively invested fund, bearing in mind that the S&P/TSX composite index was down by 8.3%. In addition to the funds of the church, there are now 79 participants, two colleges, three presbyteries, PCBC, one synod and 71 congregations that have invested their funds in the CP with a total fair market value of \$77.3 million.

Gift Annuities – \$2.4 million (2014 – \$2.6 million)

We now have a 144 individual annuity contracts with Presbyterians across Canada. In 2015 there were 6 new annuity contracts with a value of \$140,000 and 6 annuitants who passed away leaving a total gift remainder of \$52,000.

Fund Balances – \$100.1 million (2014 – \$97.4million)

There are three funds that make up the balance: the operating fund of \$.6 million; restricted fund of \$58.1 million and the endowment fund of \$41.4 million.

STATEMENT OF REVENUES AND EXPENSES FOR OPERATING FUND

Operating Fund

At the end of December the operating fund had a positive balance of \$581,000. This was a decrease of \$245,700 from last year's balance and close to our budgeted amount of \$525,700.

Revenue

The total revenue for 2015 was down \$1.3 million from last year (\$7.7 million vs \$9.0 million for 2014). The two key differences were a drop in *Presbyterians Sharing* of \$400,000, WMS no longer provided a \$200,000 grant for regional staffing and the large gift of \$425,000 to *Presbyterians Sharing* from the Barry estate in 2014 not matched in 2015.

Expenditures

Overall expenditures of \$8,918,400 were \$569,114 lower than budget.

Presbyterians Sharing

In 2015, Presbyterians across Canada gave over \$10.2 million to support the work of The Presbyterian Church in Canada. Congregations and individuals gave \$6,929,304 to *Presbyterians Sharing* to support the church’s mission and ministry in Canada and around the world, \$2,937,695 to Presbyterian World Service and Development for international development and relief programs, and \$204,642 to special projects of International Ministries and Canadian Ministries. In addition, over \$1,160,000 in gifts of securities were given to The Presbyterian Church in Canada’s ministries including \$1,021,087.26 to support congregational ministry.

Presbyterians Sharing 2015

The largest portion of funds for the General Assembly approved operating budget comes from gifts congregations and individuals make to *Presbyterians Sharing*. In 2015 congregations from across Canada donated \$6,929,304 for *Presbyterians Sharing*, (budget was set for \$7,300,000) and individuals gave \$144,794 (budget was set for \$200,000).

This was the second year of the new *Presbyterians Sharing* allocation based on 10% of a congregation’s dollar base. The analysis of this new formula of 10% of a congregation’s dollar base is found in the report of the Life and Mission Agency – Stewardship (see p. 12.1.80–82).

Comparing 2015 gifts from congregations to 2014:

- 283 congregations (31.5%) gave MORE, for a gain of \$351,575 (58 were already giving over 10%)
- 220 congregations (24.5%) gave the SAME.
- 371 congregations (41.4%) gave LESS, for a total loss of \$606,823 (70 were giving above 10%)
- 23 congregations gave nothing in 2014 and 2015 (2.6%)

INTERFUND TRANSFERS

Under proper accounting for the restricted fund method we need to show the transfer between funds. A key part of our financial health is based on sustainable transfers from the restricted fund to the operating fund. A net amount of \$987,095 was transferred into the operating fund.

	\$
To restricted fund – Deferred Bequests	(17,235)
Transfer from NDF capital account	445,000
From Bequest Stabilization Fund	250,000
From New Congregation Fund	200,000
Net Transfers to Operating Fund	109,330
Net Total Transfers to Operating Fund	987,095

NDF = National Development Fund

PENSION FUND 2015

The Pension Fund as per the March 31, 2014 valuation shows a solvency deficit of \$37.5 million and a transfer ratio of 85.2% (85% is the desired goal). This leaves a shortfall in contributions amounting to \$75,000 per month (\$.9 million per annum). This shortfall cannot come from the Pension Fund and must come from The Presbyterian Church in Canada which is responsible for the pension plan. This leaves us with two choices, one is to take the funds from the congregations or other employers of the plan, in other words a special levy on all congregations, or to find the funds from funds currently held by the national church. In 2015 we managed to find sufficient funds to cover the shortfall.

The General Assembly set up the Special Committee re Pension Solvency Funding in 2015 to look at a possibly large unfunded solvency deficit for our anticipated actuarial filing in March 2017. This committee has met twice and

is exploring a number of options to deal with this worst case scenario. (see p. 21.1.1) Prolonged government policy to suppress long term interest rates is the cause of the solvency deficit not the returns on our assets that we are achieving. In 2015 the Pension Fund had a gross return of 7.7% and beat its benchmark of 5.6% by 2.1%.

BUDGET 2017

In preparing the 2017 draft budget the Finance Committee reviewed a statement by Stephen S. Poloz – Governor of the Bank of Canada, given in Ottawa, Ontario, on January 20, 2016

We are hopeful that *Presbyterians Sharing* will be around or stay near \$6.9 million. There are of course a number of risks to reaching our revenue budget. The continuing membership decline in our denomination and the number of congregations just scraping by (those who bring \$50,000 or less in total receipts stands at over 200).

The Pension Plan solvency deficit caused by prolonged low long term interest rates has required us to increase the pension assessment to congregations to 5%. This puts further pressure on existing congregations’ obligations and expenditures. Our reliance on undesignated bequests still exists, however, when bequests come in and how much comes in cannot be predicted. However, from the multi-year data on undesignated bequests we now are seeing a five year rolling average as at 2015 of \$119,000.

The Management Team will make every effort in 2016 and 2017 to carry on the programs of the church while spending scarce dollars prudently.

Receipts	2015 Actual \$	2016 Revised \$	2017 Budget \$	
<i>Presbyterians Sharing</i>	6,929,304	6,900,000	6,900,000	1
Budget – Individual <i>Presbyterians Sharing</i>	144,109	175,000	175,000	2
Income from Investments	359,773	380,000	380,000	3
Income from Estates	11,345	10,000	10,000	
WMS Contributions	150,000	100,000	50,000	4
AMS Contributions	61,920	60,000	60,000	
Income from Other Sources	(21,128)	50,000	50,000	5
Bequest Revenue	17,422	125,000	125,000	6
Gifts General Revenue	32,867	1,000	1,000	
Total Receipts	7,685,612	7,801,000	7,751,000	

- Notes:
1. The original 2016 budget showed \$7.3 million, in light of 2015 \$6.9 million is a more realistic goal. Concern about continued decreases in the *Presbyterians Sharing* number is warranted. We will need to make extra efforts and dedicate resources in order to contact presbyteries and congregations about their commitment to the programs and missions of the denomination in order for us to achieve our budget of \$6.9 million.
 2. We will need to do more in promoting this area if we are to achieve the full budget amount.
 3. Interest rates will continue to be low over the next two years.
 4. The WMS grant will level off at \$50,000 per annum.
 5. Resource sales and precise ordering of bulletins will help us achieve the budget. We also get rent from the Record of \$20,000.
 6. As noted above, the five year rolling average is \$119,000.

Expenditures

	2015 Actual \$	2016 Revised \$	2017 Budget \$
General Assembly / Assembly Council	1,082,068	1,020,196	1,014,000
Life and Mission Agency	5,483,642	6,027,214	5,930,751
Support Services	1,502,690	1,511,000	1,492,500
Colleges	850,000	850,000	807,000
Total Expenditures	8,918,400	9,408,410	9,244,251

In 2017 all salary areas have absorbed a cost of living adjustment in the salary line of 1.5% (\$41,000). In a number of cases the costs of COLA have been offset by cuts and savings in other areas. The 2017 budget compared to the

2016 reflects a decrease of \$164,000. Part of this decrease is because of the merging of Stewardship and Planned Giving. There is also a decrease of \$43,000 in the grant to colleges.

Missionary Residence – 27 Brentcliffe Avenue, Toronto

Five years ago the Life and Mission Agency recommended this building be sold and look at other alternatives to dealing with missionary furloughs or other reasons for missionaries having to return to Canada for periods of up to a year. Five years ago the Assembly Council voted to hold onto the missionary residence.

Subsequent to that decision a new LRT transport system is being built along Eglinton Ave. and the residence is right at a key intersection in Leaside. We have received an unsolicited offer for \$1.8 million. The fair market value if we actively tried to sell the building would, we suspect, be much higher. More than half the building is rented out to non missionaries and the cost and staff time to take care of this building are not in proportion to the perceived benefit. Last year the Assembly Council asked the Life and Mission Agency to review their original decision (which was to sell the building) and report back to the Assembly Council.

Interfund Transfers

	2015	2016	2017
	Actual	Revised	Budget
	\$	\$	\$
Breakdown of Transfers Restricted to Operating			
from 2010/2011 College Bequest			
Transfer from Restricted Fund	554,330	595,000	1,080,000
Transfer from Stabilization Fund	250,000	250,000	200,000
Transfer from New Congregation Fund	200,000	200,000	200,000
Deferred Bequests transfer to Restricted Funds	(17,235)		
	987,095	1,045,000	1,480,000

Deferred Bequests 2015

As per the current bequest policy the funds would be distributed as follows:

Deferred Bequests 2015	2015
Portion to Pension Plan	\$ 2,585
Transfer to Stabilization Fund	\$14,650
	<u>\$17,235</u>

Note that the above complies with the approved policy set out by the Assembly Council.

Recommendation No. 7 **Adopted/Defeated/Amended**
That the 2017 budget be approved.

THREE YEAR FORECAST 2018–2020

The following is one possible ‘future’ scenario. It is not meant to suggest that this will be the recommended ‘future’ put forward by the 2018 Budget Working Group (2018 BWG) to the Assembly Council. The 2018 BWG will report back to Assembly Council and the Finance Committee with their specific suggestions and recommended actions in November 2016 and March 2017. What the following does purport to show is that the revenues lined up with a level of expenditures and transfers from restricted funds that are sustainable over a three to five year period. (see p. 2.2.2)

Recommendation No. 8 **Adopted/Defeated/Amended**
That the 2018 to 2020 forecast be received for information.

2018 Budget Working Group

As reported to the 2015 General Assembly, the 2018 Budget Working Group was named with the following members: the Rev. Dr. David Sutherland, convener; the Rev. Harold Kouwenberg and the Rev. Corrie Stewart representing the Assembly Council; the Rev. Tom Billard and the Rev. Doug Schonberg representing the Life and Mission Agency; and Ms. Heather Crisp and the Rev. Rick Horst representing the church at large. The Management Team also supports the work of the committee. The responsibility of the committee is to propose a 2018 budget that provides for a realistic matching of expenditures with revenue and sustainable fund transfers. They have begun meeting and will continue to meet to carry out this work in time for the Assembly Council to consider it in March 2017.

MANAGEMENT TEAM

The Management Team is made up of the three general secretaries (Principal Clerk, General Secretary of Life and Mission Agency and Chief Financial Officer/Treasurer). They are charged with managing and co-ordinating the work of the church offices. In addition, they are asked to prepare initial drafts of budgets for the Finance Committee and to carry out other tasks as requested by the Assembly Council. They report regularly to the Assembly Council. One of the main items being dealt with this past year has been the implementation of a new database for the national office to replace one that is many years old and no longer supported. Raiser's Edge provides excellent contact management including highly customizable reporting and communication options such as targeted mail merge letters. This model of working together brings a strong sense of unity to the work of the national church within 50 Wynford Drive. The Management Team is grateful for the dedication of the staff at the national offices, and grateful to be working together as a team. This year the Management Team bid farewell to retiring General Secretary of the Life and Mission Agency Rick Fee, and welcomed Ian Ross-McDonald. The coming year sees the retirement of Steve Roche as Chief Financial Officer and Treasurer and welcoming his successor.

REFERRALS FROM GENERAL ASSEMBLY

STRATEGIC PLANNING

The 2014 General Assembly asked the Assembly Council to present a strategic plan at the 2015 General Assembly (A&P 2014, p. 31). The strategic plan is to guide the national church in its mission to encourage, support and strengthen congregations. A committee of the Assembly Council was established immediately that began the work of consulting with the church on a strategic plan. This work was not complete by the 2015 General Assembly, which granted permission to report to this year's Assembly. (A&P 2015, p. 213)

The draft plan was posted on The Presbyterian Church in Canada website. Through emails and the website, an invitation to comment on the draft plan was extended to all. The Strategic Planning Committee also held a series of teleconferences with more than 50 participants from across Canada. During each teleconference, the highlights of the draft plan were introduced and participants were invited to respond to two questions: 1) Which ideas resonate most with you, and 2) how do you envision these ideas could be implemented in The Presbyterian Church in Canada. The ideas raised in these conversations were noted. Participants were also able to provide written comments on the draft plan.

Guiding the work of the committee were the vision and mission statements of our church, that were reaffirmed by the General Assembly in 2015 (A&P 2015, p. 201, 37). In a number of places in the strategic plan the term 'missional' is used. The Assembly Council finds helpful the definition Darrell Guder gives in his book *The Missional Church*: "The essential vocation of the church is to be God's call and sent people in the world trusting that rather than the church having a mission God's mission has a church."

Vision

Who are we?

Disciples of Christ
Empowered by the Spirit
Glorifying God and
Rejoicing in Service!

Mission

What do we do?

Relying on the power of the Holy Spirit,
we proclaim the love and good news of Jesus Christ through our words and actions.

As a Reformed church,
we rely on the truth and inspiration of Scriptures for God's guidance into the future
– a future that we approach with wonder and anticipation, knowing God is with us.

As worshipping communities joyfully celebrating the sacraments, we are supported, strengthened and equipped to share the love of God revealed in Jesus Christ.

The Presbyterian Church In Canada – Strategic Plan

Goals

As worshipping communities of The Presbyterian Church in Canada, relying on the power of the Holy Spirit, we proclaim the love and good news of Jesus Christ through our words and actions by working together as a national church to provide:

Visionary leadership

Empowering resources that are relevant, contextual and missional

Relational connections that incarnate Christ's mission at the local and international level

Objectives

With God's help, we will accomplish these goals by prayerfully continuing, creating and improving ways to equip congregations, specialized ministries, church courts and the church as a whole to:

- Engage in biblical and theological reflection and education that deepens understanding of and commitment to God, the church, and its place in Christ's ministry and mission
- Pursue spiritual renewal and faith formation as the basis for transformation within our congregations
- Engage in evangelism, outreach and discipleship
- Embrace a missional culture that nurtures initiative and risk taking at local, national and international levels
- Discern through grassroots consultation and research the challenges ministers and congregations face and connect them to tools to overcome them
- Articulate and live out the rich traditions of Reformed theology
- Discern, prepare and support leaders – lay, youth and young adults and clergy – for faithful and vibrant ministry
- Create, encourage and support new communities of faith
- Explore buildings as tools that set congregations and presbyteries free to pursue faithful ministry
- Live out the justice imperatives of the gospel and sow seeds of hope through our words and actions in the public sphere
- Engage in healing and reconciliation between Indigenous and Non-Indigenous peoples
- Nurture ecumenical relationships and collaborate with ecumenical partners to achieve common goals
- Fulfil leadership mandates with the help of caring, competent and, when necessary, confidential support
- Celebrate, support and encourage cultural and linguistic diversity

Methods

We will utilize the following as tools to accomplish the above goals and objectives as we:

- Provide congregations with resource people and tools to encourage/enhance ministry
- Use technologies to facilitate achievement of goals and objectives
- Use coaching and mentoring networks that can share best practices to equip congregations and leaders in renewal
- Create, seek and make easily available print, video, electronic resources to equip congregations and individuals for ministry
- Encourage one innovative worshipping community in each presbytery to foster evangelism, hope and spiritual renewal
- Have denominational structures and programs that are accessible, mobile and responsive to regional needs
- Work with mission partners who enable congregations to participate in mission beyond the congregation
- Provide equipping conferences for leaders from congregations, presbytery, synods
- Provide PCC committees, congregations, specialized ministries, presbyteries and synods with website support and inspire and equip them in innovative communication techniques
- Provide grants strategically to further accomplish the goals and objectives of the strategic plan
- Collaborate with PCC theological colleges on common goals and objectives
- Conduct research, develop policy and study guides to equip the church for future ministry
- Provide opportunities for building relationships between Indigenous and Non-Indigenous peoples

Recommendation No. 9

Adopted/Defeated/Amended

That the Strategic Plan be approved for guiding the work of The Presbyterian Church in Canada.

Recommendation No. 10

Adopted/Defeated/Amended

That the Assembly Council monitor/oversee the implementation of the Strategic Plan.

Recommendation No. 11 Adopted/Defeated/Amended

That in their reports to General Assembly, all standing committees, college boards and agencies state how their work is implementing the Strategic Plan.

Recommendation No. 12 Adopted/Defeated/Amended

That presbyteries and congregations be encouraged to implement the Strategic Plan within their locales providing feedback as needed, and be prepared to share their experiences with the Assembly Council in three years.

TERMS OF REFERENCE OF THE ASSEMBLY COUNCIL

The 2015 General Assembly considered a proposal to amend the Assembly Council's terms of reference. The amendment would reduce in the number of members and have all members appointed in a 'church-at-large' category. The Committee to Nominate Standing Committees would recommend a representative slate to the General Assembly. This would bring the Council in line with all other General Assembly standing committees and discontinue the presbytery and synod appointed categories. (A&P 2015, p. 208–211) The Assembly referred the proposal for study and report, and the Assembly Council was pleased to hear from 37 courts of the church.

Of the 17 sessions responding, support was indicated by 14. Two did not support the change and one had no opinion. The responses that were in favour tended to be quite strongly so, with comments such as it is a 'sensible way forward to improving the Assembly Council's ability to deal with the challenges it faces in today's world of rapid change and financial constraints' and 'this will streamline our processes'. The concerns that were raised were primarily around ensuring adequate representation from across the church. Only one raised concerns about reducing the size of the Assembly Council.

Of the 19 responses from presbyteries, nine were fully in favour of the proposals and four were opposed. The remaining six responses provided various comments and suggestions on the proposal. A minority of the concerns related to the reduction in size of Assembly Council. The original proposal suggests moving from 31 elected members (plus 5 ex-officio voting) to 18 elected members (plus 4 ex-officio voting). Several of those with concerns proposed a smaller reduction; one suggested 20 instead of 18. Three presbyteries clearly preferred the current system in which membership is based on presbytery, synod and at-large representation. One presbytery urged that an Indigenous voice be present on Assembly Council. One synod responded, suggesting a blended approach with a total of 27 members including representation from courts of the church.

There was some concern (in two responses) about the perceived centralization of representation or authority that the proposal might encourage. At the same time, there was the recognition in several responses that it is time for change in the structure that encourages fiscal responsibility and efficient decision making with a more focused, workable size.

Given the variety of responses, and in particular the concerns that the proposal may go too far in reducing the number of members and be at risk of reducing regional representation, it seems reasonable to restore to the proposal some of the representation that could be lost, and moderate the reduction of the number of members.

The Assembly Council proposes therefore, a reduction of Council membership to 25 instead of 22. Furthermore, instead of having all members appointed in a 'church-at-large' category, the presbytery category remains in place but be reduced from 15 to 12. This proposal ensures that there will always be regional representation and that the nominations of presbyteries will be central to the membership of the Assembly Council.

Proposed Terms of Reference for the Assembly Council**Purpose and Accountability**

The General Assembly itself establishes policy and the Assembly Council is responsible for the implementation of that policy.

In its role as both a coordinating body and a prophetic one, the Council will report to and be responsible to the General Assembly, and shall be charged with the responsibility of ensuring that the work of the church is carried out efficiently and effectively within the policies established by the General Assembly.

The Assembly Council will be of central importance in the life of the church. It assumed all the legal powers vested in the Administrative Council on July 1, 1992.

Responsibilities

In all matters, the Council will carry out its business and communications in a manner that demonstrates faithfulness, openness and transparency to the membership of The Presbyterian Church in Canada, and a commitment to the gospel of Jesus Christ and the furtherance of his reconciling mission in the world.

In its coordinating role, the Assembly Council will:

- coordinate the work of the national bodies of the church, having direct links with national staff.
- recommend policy, submit short- and long-range plans, coordinate and recommend a realistic and balanced budget and generally present the current and future needs of the national agencies to the General Assembly.
- have final responsibility in matters financial under the authority of the General Assembly.
- ensure that the decisions of the General Assembly are carried out and communicated to the church.
- assist the General Assembly in making responsible decisions by ensuring that both the Council, and the Assembly, have before them all the information that is needed and that is pertinent to the matter in hand in order to make a wise decision.
- with its diverse representation from across the church, provide the broadest possible viewpoint on proposed changes in policy direction. Thus, agencies are required to inform the Council of any proposed new directions, including additional executive staff positions. The Council will advise the Assembly. In some cases, the advice of the Council will be contrary to the wishes of the Agency Committee. In such circumstances, the General Assembly, with all the information before it, will make the final decision.

In its prophetic role, the Assembly Council will:

- present a vision for the mission of a church that looks to God for continual renewal.
- dream about the future of the church and seek to be a leading edge of what the church might be in the future.
- affirm the work of the agencies of the church as they carry out a prophetic role for our denomination.
- call itself and the church to account when in need of critique.
- invite input, when helpful, from committees of the church that do not normally report through the Council, mindful of its servant role.

Membership

The Council consists of 25 individuals:

- nine persons appointed by the General Assembly from the church at large for a term of three years (renewable once).
- twelve persons appointed by the Assembly, each for a term of three years (renewable once), to fill presbytery slots of six years duration, with each slot rotating by geographical order of presbyteries and alternating between clergy and non-clergy each time a presbytery's six year term comes in the rotation.
- four persons, ex officio with vote, namely the President of the Atlantic Mission Society, the President of the Women's Missionary Society, Convener of the Life and Mission Agency and the Moderator of the General Assembly.

Staff support

The following individuals, by office, shall attend meetings of the Assembly Council as resource and support:

Principal Clerk who serves as Secretary of the Council
General Secretary Life and Mission Agency
Chief Financial Officer and Treasurer
One of the heads of Colleges

* Members are eligible to be re-appointed once with the concurrence of the member and the Assembly Council. It is understood that among the members, a balance will be maintained, in as far as possible, between clergy and non-clergy, men and women, and reflect the ethnic diversity of our denomination. All members of the Assembly Council must be professing members of The Presbyterian Church in Canada.

Committees

To ensure that the Assembly Council can fulfil its terms of reference, the following committees will carry out much of the work of the Council and, as necessary, report through it, to the General Assembly:

1. Executive of the Assembly Council
2. Archives and Records Committee
3. Audit Committee
4. Benevolences Committee (Including the responsibilities of the Fund for Ministerial Assistance)
5. Church Architecture Committee
6. Commission on Assets of Dissolved and Amalgamated Congregations
7. Commission on Proxies
8. Ewart Endowment for Theological Education Committee
9. Finance Committee
10. Governance Committee
11. Management Team
12. Nominating Committee
13. Personnel Policy Committee

Ad Hoc Committees

The Assembly Council may appoint ad hoc committees as necessary.

Committees Related to the Council

1. Theological Education Liaison Group

Recommendation No. 13 Adopted/Defeated/Amended

That the above revised terms of reference for the Assembly Council be approved.

Recommendation No. 14 Adopted/Defeated/Amended

That the new membership composition of Assembly Council be phased in starting in 2017 in a manner that allows current members to complete their terms.

IMPLEMENTING THE CALLS TO ACTION OF THE TRUTH AND RECONCILIATION COMMISSION OF CANADA

The Assembly Council, at both its meetings this year, spent time on the implementation of the Calls to Action. They were greatly assisted in this by Stephen Allen, who led the Council in the Blanket Exercise at the November meeting, and facilitated a conversation on the various Calls to Action related to the church.

The Council, after being briefed on the TRC Calls to Action (ref: Calls to Action, see p. 2.1.25 for website), participated in table group discussions focusing on how to implement the Calls to Action for our church.

The Calls to Action for our church fall broadly within these areas, with the particular Call to Action number in brackets:

1. The United Nations Declaration on the Rights of Indigenous Peoples. (UNDRIP): using UNDRIP principles as a framework for reconciliation and report how we are doing so. (46 and 48)
2. Repudiate the Doctrine of Discovery and *terra nullus*: that have been used throughout history to justify sovereignty over Indigenous lands and peoples. (46 and 49)
3. Indigenous Spirituality: educate within the church to respect Indigenous Spirituality's own right, and as 'a valid form of worship equal to their own'. (48, 60, 61)
4. Ongoing Education: on the church's role in colonization and Indian Residential Schools. (59)
5. Covenant of Reconciliation: develop and sign a Covenant of Reconciliation with other parties to the Settlement Agreement. (46)
6. Permanent Funding: provide ongoing funding for projects that promote Indigenous healing and reconciliation, culture, language and spirituality. (61)
7. Cemeteries: with Aboriginal groups and the Federal Government, support initiatives to provide a registry of children buried at schools, notify families, and properly maintain cemeteries. (73, 74, 75)

The 2015 General Assembly asked that the Assembly Council develop a plan of the implementations of the recommendations of the Truth and Reconciliation Commission of Canada and report to the 2016 General Assembly

on that plan. (A&P 2015, p. 25) Stephen Kendall (Principal Clerk) and Stephen Allen (Associate Secretary, Justice Ministries) have been consulting on the various ways our church is implementing the Calls to Action of the Truth and Reconciliation Commission of Canada final report.

Currently, Call to Action No. 48, that calls for the adoption of the United Nations Declaration on the Rights of Indigenous People (UNDRIP) as a framework for reconciliation is the primary focus, given the March 31, 2016 deadline for reporting publically on this. The Moderator will be attending an ecumenical news briefing in Ottawa on March 30, 2016, to announce collaborative efforts toward fulfilling this goal. Copies of the Declaration will be at the meeting for all members of Council.

Justice Ministries has prepared the following workplan regarding implementation:

The UNDRIP is intended to be a framework for reconciliation. Call to Action No. 48 invites church parties to the IRSSA and other faith groups, interfaith groups and social justice groups to make the following commitments (which does not preclude other commitments).

- i. Ensuring that their institutions, policies, programs and practices comply with the UNDRIP.
- ii. Respecting Indigenous people's right to self-determination in spiritual matters consistent with Article 12 of the UNDRIP.
- iii. Engaging in ongoing public dialogue and actions to support the UNDRIP.
- iv. Issuing a statement by March 31, 2016, of how church parties to the IRSSA and other faith groups, interfaith groups and social justice groups will implement UNDRIP.

Consultation

To consult with the National Native Ministries (NNM) at its spring 2016 meeting to discuss a process to involve NNM in developing a plan to live comply with UNDRIP. The process should include opportunities for Indigenous members NNM supports to advise the church.

Inform and Involve

In November 2015, both the Life and Mission Agency Committee and the Assembly Council discussed the UNDRIP. The UNDRIP will be distributed to members of the Life and Mission Agency Committee and the Assembly Council.

The UNDRIP will be made available to the commissioners attending the 2015 General Assembly. Commissioners will be invited to encourage their congregations to learn about UNDRIP. Involving Indigenous people in the community in discussions about UNDRIP will be encouraged and supported.

A children's resource on the UNDRIP has been developed by the First Nations Child and Family Caring Society. What is needed are prayers to accompany the resource (more details on the resource).

Assess if the resource developed by the First Nations Child and Family Caring Society could be used or adapted for use at CY2016 or synod camps.

Through the Healing and Reconciliation Program, encourage funding proposals from courts of the church wishing to learn more about the UNDRIP (cite congregation in Calgary that worked with an interfaith network).

In workshops Justice Ministries leads on healing and reconciliation, integrate the UNDRIP into the content. (How might the UNDRIP help your congregation contribute to reconciliation in your community?).

The Presbyterian Church in Canada is participating in ecumenical initiatives concerning the UNDRIP, as it did in 2011.

Promote Call to Action No. 48 on the Healing and Reconciliation's web site and include examples of initiatives by courts of the church and committees in the church.

Issues for discussion broadly within the church:

1. What does it mean for the PCC's institutions to comply with the UNDRIP?
2. Review what the PCC has said and done re Free, Prior and Informed Consent.

3. Need to refer to what the PCC is doing globally (Goldcorp's Marling Mine in Guatemala has had an impact on Mayan communities).
4. Are there policies and practices in the PCC that need to be reviewed in light of No. 48?

Congregations are also responding to the Calls to Action

The Session at First Church in Port Colborne, Ontario, created an ad hoc committee to inform the congregation, community and the Presbytery of Niagara about Presbyterian involvement in residential schools and to discern ways to promote healing.

Westwood Church Winnipeg, Manitoba, is cooperating with eight churches in their community to host four evening events in January to April 2016. The first three evenings will have speakers who will address themes that run through the Calls to Action. The final evening will be community discernment for ways the community can respond to the Calls to Action together.

First Church in Regina, Saskatchewan, is working ecumenically and with Indigenous organizations to advocate for the commemoration and maintenance of the cemetery of children who died at the Presbyterian-run Regina Indian Industrial School. The school closed in 1911 (Call to Action No. 75).

The Presbytery of Ottawa is developing liturgical resources for congregations to learn more about the legacy of residential schools and the TRC's Calls to Action.

Knox Church in Calgary, Alberta, is learning about the United Nations Declaration on the Rights of Indigenous Peoples. The congregation joined an interfaith planning team and organized a forum to discuss how peoples of faith can implement the values and principles enshrined in the Declaration.

The Rev. Susan Samuel planned a workshop in the spring, 2016 for members of the Presbytery of Grey-Bruce-Maitland to learn about the United Nations Declaration on the Rights of Indigenous Peoples. Both of these initiatives are faithful responses to Call to Action No. 48 which calls on churches to learn about and implement the United Nations Declaration on the Rights of Indigenous Peoples. Copies of the UN Declaration are available from Justice Ministries.

These are just some of the local initiatives that Presbyterians across Canada have been involved in since the release of the TRC's Calls to Action.

Justice Ministries is available to lead workshops on the Calls to Action.

The Calls to Action can be found at: trc.ca/websites/trcinstitution/File/2015/Findings/Calls_to_Action_English2.pdf

ANNUAL ADJUSTMENT OF STIPEND (A&P 2015, p. 215–216, 24–25)

The 2015 General Assembly considered the Assembly Council's response to Overture No. 2, 2015 regarding the terms of the guarantee of stipend and referred an additional recommendation to the church for study and report.

Originally, the request of the overture was to stipulate that regardless of how high above the minimum stipend grid a minister's stipend was set at the beginning of a ministry, the Cost of Living Allowance set by the General Assembly be added annually. The Assembly Council recommended that the current wording of Book of Forms Appendix A–29 that mandates an annual review of the stipend in view of changes to the cost of living and needs of the minister was sufficient.

The Assembly, however, asked that the church consider changing Appendix A–29 to mandate not just an annual 'review' but an 'adjustment'. So the following proposal was sent for study:

That Book of Forms Appendix A–29 (re guarantee of stipend terms) be amended to read: "and agree to adjust the stipend and allowances annually in view of any changes in the cost of living and the needs of our minister" and that this be sent to sessions and presbyteries for study and report to the next General Assembly by January 31, 2016. (A&P 2015, p. 25)

Fourteen (14) sessions and 15 presbyteries responded to the proposal.

Of the sessions responding, nine were in favour of the change, three were opposed and two had no opinion. Those sessions that were in favour felt that the change was a fair and good practice to adopt. One session reported that this was their practice currently. Those opposed preferred to leave the matter to congregations to assess.

Of the presbyteries responding, 11 were in favour of the change, three were opposed and one asked that a future Assembly consider reverting to the original request to require that COLA be added to all stipends. Presbyteries that were opposed tended to be concerned about those congregations that might find it difficult to afford an adjustment. One presbytery pointed out that since we consider this a stipend, it might be conceivable that it should go down in the cases of a minister's needs going down. Presbyteries that were in favour considered the proposal reasonable and thought that it would be helpful in encouraging the conversation about cost of living and needs that is already stipulated in the Book of Forms.

Given that 20 of 29 courts were in favour, the following recommendation is made:

Recommendation No. 15 Adopted/Defeated/Amended

That Book of Forms Appendix A–29 re guarantee of stipend terms be amended to read: “and agree to adjust the stipend and allowances annually in view of any changes in the cost of living and the needs of our minister”.

OVERTURE NO. 3, 2015 (A&P 2015, p. 573, 216, 14)

Re: Budgeting for General Assembly costs

Overture No. 3, 2015 asked the Assembly Council to consider including and directing all necessary General Assembly costs in the General Assembly budget. The committee noted that there were numerous advantages to including the majority of the costs of the yearly meeting of General Assembly into a central budget and thereby allowing for responsible stewardship of resources. It was also noted that while costs are certainly extremely important to keep in mind, they are not the only factor to consider while preparing for General Assembly. Instead there must be a balance between being cost effective and good stewards with the needs of the commissioners, the business of the Assembly and resource people.

While each General Assembly is held in a particular presbytery, it must be remembered that every Assembly belongs to the church as a whole, and therefore makes sense that the cost should be shared equally and not be a burden for any one presbytery. While recognizing this, each presbytery holding an Assembly is still encouraged to share their gifts and skills well for the hosting and planning of Assemblies. Over the past number of years, more of the costs have already been assumed by the General Assembly budget and formalising this arrangement makes sense as a means of continuity and direction for those planning Assemblies going forward. The committee recommends that the costs for General Assembly be assigned as follows: 1) the costs of the business of the Assembly, worship, and events relating to the Assembly be covered by the General Assembly Budget; and 2) the costs for hospitality and events relating to hospitality at the Assembly be covered by the Local Arrangements Committee.

Recommendation No. 16 Adopted/Defeated/Amended

That the above be the response to Overture No. 3, 2015 re budgeting for General Assembly costs.

OVERTURE NOS. 13, 22 and 36, 2015 (A&P 2015, p. 587–88, 597–98, 610)

Re Establishing A Native Ministries Endowment Fund

These overtures were referred to the Assembly Council and the Life and Mission Agency. A working group made up of Graham Kennedy and Mabel Litowski (representing the Assembly Council) and Ian Morrison and Anne Phillips (representing the Life and Mission Agency) was created to prepare a response.

The working group reviewed the overtures, various policies, the Confession, and other collected documents relating to finances and the church's history and relationship with Aboriginal peoples. Additionally, the members also consulted groups and individuals in the church throughout the process of preparing a response to the overture. In the autumn of 2015 the group reported to both the Life and Mission Agency and the Assembly Council and received further guidance about refining the report. In addition, it was agreed by the Assembly Council to name an Indigenous person as a member of the working group. However, before this came into effect, the members of the working group indicated that they felt that they had done all that was possible at this time.

Given the importance of these overtures and ensuring the participation of Indigenous voices, a new working group has been named to take the collected work of the working group as the basis for preparing a response to be presented to the 2017 General Assembly.

Recommendation No. 17 Adopted/Defeated/Amended

That permission be granted to report to the 2017 General Assembly on Overture Nos. 13, 22 and 36, 2015.

OVERTURE NO. 17, 2015 (A&P 2015, p. 591)

Re: Holding General Assembly in a Central Location

This overture asked the Assembly Council to consider holding the General Assembly in a central location for a period of time with the intent to be responsible stewards of both financial and human resources. The committee is in favour of the ideas in that there may be possible cost savings by: 1) cutting down on travel expenses; and 2) by committing to a particular site rental for a number of Assemblies. It is also in favour of the idea because the work of planning an Assembly could be carried over to subsequent Assemblies and it would save the local arrangement committees from having to “reinvent the wheel” each year. The committee is cognizant that there would be extra work and potential drain on local arrangement committees due to the increased number of times that Assemblies would be held in particular presbyteries and there would need to be planning to offset this fact. Another option would be the rotation of Assemblies through a number of preselected sites over a series of years within a central area such as rotating between three sites every three years. This would still allow for savings and perhaps lessen any burdens on the local arrangement committees.

While the committee supports the idea of a central location, it does not rule out that an Assembly may meet in another location for specific reasons and when funds are available. Holding an Assembly in the east or west can add over \$100,000 to the cost. The committee is recommending, however, that the requirement for the General Assembly to meet every five years in the east or west be discontinued.

One question that arose was how to define “central location”. For the purposes of responding to this overture the committee focused on the area between Toronto, Hamilton and Waterloo as its understanding of the intent of central location. The largest populated presbyteries are in this geographical area. This also allows for easy travel for most commissioners and resource people. As well, air travel is easier on the west side of metro Toronto with an international airport in this area and each of these cities having regional airports and. They also have public transportation through GO transit system and VIA rail. Currently, these three centres have university facilities that could hold an Assembly.

Recommendation No. 18 Adopted/Defeated/Amended

That the General Assembly normally be held within the geographical region of Hamilton, the Greater Toronto Area and Waterloo.

Recommendation No. 19 Adopted/Defeated/Amended

That the requirement for the General Assembly to meet in the east/west every five years be discontinued.

Recommendation No. 20 Adopted/Defeated/Amended

That the above report be the answer to Overture No. 17, 2015 re holding General Assembly in a central location.

The committee tasked with preparing the above response also proposed to Assembly Council the establishment of a Design Team for future Generals Assemblies. The approved terms of reference for this group are as follows:

General Assembly Design Team Terms of Reference

Purpose

The design team will assist the Assembly Council and the General Assembly Office to plan effective and efficient General Assemblies.

Accountability

The design team is accountable to the Assembly Council, noting that the Clerks of Assembly have responsibilities for the preparation of the business of the General Assembly.

Responsibilities

1. To provide overall direction for the planning of future Assemblies such as location, format and themes.
2. To provide an effective and efficient means to address the business of the General Assembly.
3. To appoint special working groups for worship and any special events, educational events or focus that may be identified for a specific General Assembly.
4. To support the General Assembly Office in its role to prepare for and execute the General Assemblies.
5. To support local arrangements committees in their local preparations for the General Assembly.

Membership

9 members, namely

6 members, noting

- the membership is to be inclusive of the whole church and come from across the denomination
- at least 1 member from the Assembly Council

Staff: Principal Clerk
Deputy Clerk
Senior Administrator, General Assembly Office

OVERTURE NOS. 37, 2015; 4, 5, AND 7, 2016 (A&P 2015, p. 610–11, Book of Reports, p. 28.1.2–3, 28.1.4)

Re: Request for process for a congregation leaving the denomination

These various overtures were referred to the Clerks of Assembly to consult with Assembly Council, the Trustee Board, the Pension and Benefits Board and the Assembly Council. Members of Assembly Council were appointed to be part of the consultation, which took place at the initiative of the Clerks this spring. Assembly Council reviewed the Clerk's response and voted in favour of concurring with the response found on p. 7.1.2–5.

OVERTURE NO. 1, 2016 (p. 28.1.1)

Re: Revising appointment protocols for Associate Secretaries

The Assembly Council reviewed and reflected on the process for appointing associate secretaries and have confidence in the process and in the quality of the selections that have been made through it.

Rather than limiting the pool of candidates for general secretary in any way, and more particularly, to associate secretaries, our regulations encourage a large pool of nominees and applicants for these positions.

There is independence between the review and formation of the job descriptions and the search and selection process for the candidates. There is very broad participation from across the church in both these elements.

Presbyteries continue to be encouraged to participate in the process by prayerfully seeking out candidates whom they might nominate.

Recommendation No. 21 Adopted/Defeated/Amended

That the above be the response to Overture No. 1, 2016 re revising appointment protocols for associate secretaries.

OVERTURE NO. 2, 2016 (p. 28.1.1)

Re: Timeline regarding overtures relating to human sexuality

The Assembly Council received Overture No. 2, 2016 at its November 2015 meeting and set aside time in committee of the whole to discuss its content and seek to address the concerns it raises. After this discussion, the following recommendations were adopted by the Council, and, through the website and various collaborations, carried them out.

- That the church be encouraged to use the study guide, *Body, Mind and Soul*, as a common resource to facilitate its broader discussion of human sexuality.
- That the Assembly Council affirm that the Committee on Church Doctrine and Justice Ministries (Life and Mission Agency Committee) are the bodies that are still responding to the overtures, and request that the church be prayerful in their support of these groups as they carry out this work and for the peace and unity of the church.
- That congregations, presbyteries and others within the church be encouraged to consider February 15, 2016, as an initial date for feedback as the church continues this year of discernment; this is to assist the Committee on Church Doctrine and Justice Ministries (Life and Mission Agency Committee) to work within their deadline of March 31, 2016.
- That the Moderator be requested to consider another pastoral letter to the church early in the New Year.
- That the Life and Mission Agency be requested to assist the church with educational resources and resource people on the use of the study guide.
- That in order to assist the Assembly Council in preparing a response to Overture No 2, 2016 re timelines, the Executive arrange for consultation with the Committee on Church Doctrine and Justice Ministries on the timelines they envision.
- That the Clerks of Assembly be asked to prepare a summary of the usual process for dealing with and deciding major items.

The Council finds it very difficult to provide a clear timeline for decisions to be made by the church on this matter, because ultimately it is up to the General Assembly itself to determine what steps it will take and when to take them. In addition to this, by affirming that Justice Ministries (Life and Mission Agency) and the Committee on Church Doctrine are the two bodies to which the relevant overtures have been directed, the Assembly Council wants to make clear it is not the body that has been directed to respond to the overtures. The reports of the two committees will influence timelines. The Assembly Council does not wish to rush or hinder those bodies as they carry out their work. A conference call with them was held to ascertain what could be said about the timing of their own work and a possible timeline for decisions.

Both Justice Ministries and the Committee on Church Doctrine anticipated bringing reports to the 2016 General Assembly, but they were not in a position at the time of the conference call to provide details about recommendations. The Committee on Church Doctrine and the Life and Mission Agency Committee were scheduled to meet in March. Final decisions on a report to Assembly must wait until then.

In order to assist those bodies in their work, the Assembly Council agreed to make a 'request' to the church to submit responses to the *Body Mind and Soul* study guide by February 15, 2016. This request was made with the full knowledge and respect for the fact that this may be an unrealistic timeframe for many groups and also that the General Assembly date for feedback is March 31, 2016. Many sessions, courts and groups did in fact provide

substantial material by the 15 February requested date and therefore the Committee on Church Doctrine and Justice Ministries had a large number of responses to help guide their work before their reports were due. The Assembly Council is grateful to all those who made a special effort to meet this date.

The Clerks of Assembly provided information for the Sexuality portion on the website explaining what is happening with the overtures and what will happen in the future with them. In part, this document provided the following information:

What happens next?

If the 2016 Assembly follows the usual steps, a proposed response to the overtures will be put before the General Assembly by Church Doctrine and Justice Ministries. The Assembly may send the proposal to the church for study and further response. This would be an opportunity for voices across the church to be heard on a specific proposal. At the 2017 Assembly, the proposal, possibly amended because of the feedback, could be considered again and remitted to presbyteries for their approval or disapproval. The 2018 Assembly would tally these replies and make a decision that would become the law/doctrine of the church.

Alternatively, it is possible the 2016 Assembly will decide the responses received by February 15 provide sufficient feedback to allow a firm proposal to be sent to presbyteries without further study. In this case, the proposal would be remitted to presbyteries for their approval or disapproval, without further discussion. The 2017 Assembly would tally these replies and make a decision that would become the law/doctrine of the church.

Meanwhile, the church is encouraged to continue to pray, learn, think, talk and listen – trusting the grace of the Lord Jesus Christ, the love of God and the fellowship of the Holy Spirit to guide us.

One of the reasons why it is difficult to set a clear timeline for decisions is that we do not yet know a) what the two committees will bring to the Assembly, b) what parts of their reports might be voted on immediately, c) what might be sent for study and report and d) what might be destined for the process of the Barrier Act.

Generally speaking, the Clerks of Assembly advise that the usual process for considering substantial change within the church is as follows:

1. General Assembly 1 receives an overture and refers it to a committee to prepare a report.
2. That committee prepares a response for General Assembly 2 (the following year).
3. General Assembly 2 sends the response to the courts of the church for study and report – this can include proposed recommendations – so that the feedback of the whole church can be received and considered.
4. The committee receives feedback prepares a revised report and appropriate recommendations for General Assembly 3.
5. General Assembly 3 adopts recommendations, or if a change in doctrine or law is contemplated, sends down under Barrier Act.
6. Presbyteries alone respond yes or no to Barrier Act legislation or doctrine.
7. General Assembly 4 adopts new legislation or defeats the proposal.

In our current context, the 2016 Assembly could be considered General Assembly 2, being the first time a report on the overtures will be received.

Sometimes the process can take place more quickly. If an overture has been referred to a committee prior to February 1, that committee can bring a report to that first Assembly without it being referred to it again by the Assembly. That can save a year.

Sometimes an Assembly will agree to send an item of legislation down under the Barrier Act without a process of study and report. This might take place for straightforward items (e.g. a minor change to the Book of Forms). But the Assembly has the authority to send an item under the Barrier Act at any time. What an Assembly cannot do is adopt a significant new doctrine, or change the law of the church, without the step of the Barrier Act.

A Declaratory Act could also be adopted by the General Assembly regarding a subject before the church. This is intended as a way of clarifying the church’s understanding of an existing piece of legislation or doctrine. It is not a way to create new church law or doctrine, and therefore it would be unlikely to have any effect on this timeline.

It will be for the 2016 General Assembly to decide what to do with reports it receives. It is within the power of the Assembly to not receive a report, to receive a report and adopt all or some of its recommendations, to send portions of a report to the church for study and report to give additional time, and to remit items of doctrine or church law to the Barrier Act. Each option presents a different timeline.

Recommendation No. 22 Adopted/Defeated/Amended

That the above be the response to Overture No. 2, 2016 re timeline for human sexuality overtures.

OVERTURE NO. 8, 2016 (p. 28.1.4–5)

Re: Standing committee secretaries

This overture requests that apart from Assembly Council, all standing committees of the church provide from among their membership a secretary.

The Assembly Council affirms the role of staff in providing administrative support to standing committees at their request, and has ascertained from staff their willingness and ability to continue doing so.

The Assembly Council also notes and reminds standing committees that they have always had and continue to have the right to appoint a secretary from among their own members.

Recommendation No. 23 Adopted/Defeated/Amended

That the above be the response to Overture No. 8, 2016 re standing committees secretaries.

OVERTURE NO. 9, 2016 (p. 28.1.5)

Re: Utilize and develop resources re passive energy

The Assembly Council received the interim response of the Life and Mission Agency (Justice Ministries) to this overture (see p. 12.1.39–40) and concurred in the request to present a response to the 2017 General Assembly. The Council will continue to collaborate with Justice Ministries on a response over the coming year.

OTHER ASSEMBLY COUNCIL MATTERS

MINIMUM STIPEND FOR 2017

In 2005, the General Assembly agreed that the Cost of Living Adjustment (COLA) would be applied to the entire grid of minimum stipends and increments, and not simply to the level of the fourth increment, as had been the practice prior to 2006. In 2007 a recommendation was adopted by the Assembly as follows: “that the twelve month average CPI as determined by Statistics Canada be used to determine COLA each year; the period to be used will be the twelve month average running from June to May.” (A&P 2007, p. 213, 18) A letter will be circulated to presbyteries with the 2017 minimum stipend figures once available.

INDIAN RESIDENTIAL SCHOOLS SETTLEMENT AGREEMENT

The Principal Clerk continues to oversee and monitor our church’s participation in the Residential Schools Settlement Agreement that was approved in 2007. The following elements of the agreement are listed with their current status.

The Indian Residential Schools Settlement Agreement (IRSSA) provided a settlement of almost all Residential Schools litigation when it was signed by the parties (including The Presbyterian Church in Canada) in 2007.

The key components of the agreement are nearing completion and our church’s responsibilities under the agreement are also winding up over the next few years:

Component	Completed	PCC Commitment fulfilled
Funding contributions	Yes	Yes (payment complete 2007)
Common Experience Payment	Yes	n/a
Truth & Reconciliation Commission	Yes	Yes (documents and participation)

Commemoration	Yes	n/a
Independent Assessment Process	No	No (voluntary participation at hearings, shared representation on IAP oversight committee and shared legal representation on National Administration Committee)

While approximately 90% of the Independent Assessment Process hearings have been completed, the remaining 10% tend to be complicated for various reasons. Of the total 38,000 claims, this means there are about 4,000 remaining to be settled. Ian Morrison continues to coordinate our voluntary presence at hearings where a church representative is requested. Dave Iverson of the United Church of Canada represents the three Protestant churches on the Oversight Committee (at a small per-deim cost) and Alex Pettingil represents us on the National Administration Committee (NAC). The legal costs of Mr. Pettingill are shared with the United and Anglican Churches. The National Administration Committee is the body that represents the parties at the court as the Settlement Agreement proceeds, and is the body that one day will bring a motion to the court asking that the parties be deemed to have fulfilled the agreement. Until that date, we have a legal responsibility, under the agreement, to have legal representation on the NAC. It is hoped that the need for legal counsel will decrease in the future as the need for the churches to participate in decisions related to the windup of the agreement diminishes.

It is currently projected that a first hearing of every IAP claim be complete sometime in 2017 and final completion of all aspects of the Settlement Agreement by early 2020.

The General Secretaries of The United Church of Canada and the Anglican Church of Canada meet regularly with Stephen Kendall in order to have a coordinated participation in decisions related to all aspects of the Settlement Agreement.

The Assembly Council extended a particular note of thanks to Archivists, Kim Arnold and Bob Anger for their work regarding the preparation of our church’s records for the Truth and Reconciliation Commission.

The Presbyterian Church in Canada continues to walk a healing journey together with First Nation, Inuit and Métis both as a response to the legacy of residential schools and as we join with all Canadians in seeking to forge a new partnership based on respect and trust.

Ecumenical Working Group on Residential Schools (EWGRS)

With the conclusion of the Truth and Reconciliation Commission of Canada, the EWGRS convened a meeting with other partner churches and organizations committed to healing and reconciliation in order to encourage a broader ecumenical network of support for this important work in the future. In particular, churches and organizations beyond the four connected with the Settlement Agreement (see above) desire to work in partnership with Indigenous organizations on the implementation of the Calls to Action made by the Commission in its final report. This network is in the process of developing terms of reference and protocols for working together and meeting. The work of the EWGRS related to the Settlement Agreement commitments and any legal questions that arise are being handled by the Principal Clerk and the General Secretaries of the Anglican Church of Canada and the United Church of Canada.

SPECIAL COMMITTEE RE PENSION SOLVENCY FUNDING

The Assembly Council welcomed the Rev. Cameron Bigelow, representing the General Assembly Special Committee re Pension Solvency Funding. Their report is found at p. 21.1.1. In responding to the report, the Assembly Council agreed to support the recommendation to adjust the current formula of allocating capital from undesignated bequests to the Pension Fund from 15% to 50% until December 31, 2018. The Assembly Council also supported the Special Committee in their exploration of changing the Pension Plan from a Single Employer Pension Plan (SEPP) to a Multiple Employer Pension Plan (MEPP). The implications of such a move can be found in the report of the Special Committee. Finally, the Assembly Council agreed to present to the General Assembly the committee’s suggested motion to adjust the formula for allocating capital from dissolved congregations from 25% to 100% for the same time period as above. The original formula is that the proceeds of dissolved congregations, all of which vest with the Trustee Board of The Presbyterian Church in Canada for the benefit of the church, 30% is allocated to New Church Capital and 70% to the presbytery in which the dissolved congregation existed, on approval of a mission plan. In 2013, based on power to issue granted to the Assembly Council to make necessary adjustments to assist with the Pension Solvency funding, the Council approved that the first 25% of proceeds go to the Pension Fund. The Assembly Council is aware that the power to issue ended with the 2014 General Assembly and so brings the following recommendation:

Recommendation No 24

Adopted/Defeated/Amended

That the adjustment of the current formula of allocating capital from dissolved congregations to the Pension Fund be from 25% to 100% effective June 8, 2016 until December 31, 2018.

LIFE AND MISSION AGENCY

The Life and Mission Agency is represented on the Assembly Council by its General Secretary and Convener. Two members of the Council also serve on the Life and Mission Agency Committee. The committee keeps the Assembly Council informed of its evolving mission and ministry programs and activities. In order to foster a high level of collaboration between Assembly Council and the Life and Mission Agency committee, a joint meeting is being planned for later this year.

APPRECIATION

The Assembly Council continues to be grateful to God for the commitment, energy, prayer and thoughtfulness of those who serve this church on its committees, agencies and councils. The Council takes this opportunity to thank those members whose terms expire with this General Assembly: Peter Baek, John Barrett, Paulette Brown, Derek Krunys, Mabel Litowski, Don MacMillan, Mark McLennan, Neal Mathers, Doug Maxwell and Dirk Van Ek; and exofficio members: Stephen Farris (Moderator of the 140th General Assembly), Dorcas Gordon (colleges) and Linda McKinnon (AMS).

Bob Smith
Convener

Stephen Kendall
Secretary