

ASSEMBLY COUNCIL

Interim Report No. 1, June 2020

Note: Subsequent Interim reports will be posted as the Assembly Council continues to conduct its work.

With the unprecedented impact of COVID-19, the Assembly Council fully tested its designated role of being a coordinating body and a prophetic one. Ultimately, we report to and are responsible to the General Assembly. Between meetings of the General Assembly, we oversee the work of the various agencies and committees and deal with overtures, petitions and other matters assigned to us by the Assembly. Our membership reflects, as much as possible, the diversity within The Presbyterian Church in Canada. In March, the government mandated physical distancing requirements led us to use technology to enable our meeting and, trusting the guidance of the Spirit, we made the difficult decision of canceling the meeting of the 2020 General Assembly.

But much work had occurred before that and is continuing. We are thankful for the faithful management and staff in the national office who, while dealing with the challenges of working from home, have continued to make resources and programming available in innovative ways for ministers, congregations and various ministries across Canada.

The Assembly Council is accountable for ensuring a realistic and balanced budget and, under the authority of the General Assembly, has final responsibility for financial matters. We are thankful for the generosity of congregations and individuals across the country whose contributions support the work of The Presbyterian Church in Canada. In recent years, the budget was only balanced through transfers from financial reserves. Because of providential donations, bequests and investments in 2019, the approved transfer of funds was not needed. The Council is grateful to Mr. Oliver Ng, CFO, his staff and the Finance Committee for their careful oversight.

The Council continues to use the strategic plan, with its focus on visionary leadership, empowering resources and relational connections to structure our order of business and guide our work at meetings. A team has been conducting the three-year review of the plan. They have considered survey results that indicated the plan needs to be more concise and accessible, while also acknowledging the different needs of congregations, courts and committees. The plan can be a useful tool for the church in determining programming and ministry.

We have welcomed the co-conveners of the Rainbow Communion at recent meetings to share updates on their work. In November, they outlined their hope that funds could be made available to assist in providing staffing, programs and counselling to redress harm through and by the church. The Assembly Council is considering provisional financial arrangements for these purposes. As well, the Life and Mission Agency has identified short-term staffing to follow up on the identified work and are exploring beyond that.

There were other overtures and reports that the Assembly Council was to discuss at our March meeting and while we continue to meet by zoom to address some issues, there are items that will take further time and meetings.

I give thanks for all the members of the Council who have supported the inventive means necessary to fulfill our role. Conscious of the polity of our church and ensuring that ministry remains our priority, the members continue to give their time and talents. As well, the Assembly Council looks to the entire national office team for their expertise, ideas and continuous efforts. I give thanks for the Assembly Office staff whose faith-filled support continues to see us through these challenging times.

**THE PRESBYTERIAN CHURCH IN CANADA
STRATEGIC PLAN****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.

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

The complete strategic plan can be found at presbyterian.ca/strategic-plan.

With the 2019 Assembly, the strategic plan had been in use for three years. A survey was conducted in accordance with the three-year review that the 2016 Assembly called for. A number of suggestions and tentative conclusions were drawn from the survey results and the discussions at the Assembly Council.

The Assembly Council has noted that there is a variety of levels of engagement with the strategic plan at different levels of the church. There is a recognition that not all points apply to church courts and there could be a benefit to making clear the various ways that the courts might work together on certain areas of the plan or facilitate/provide resources for others.

There is a consensus emerging that it is important to keep the strategic plan in front of the church and to encourage its use and review. The Assembly Council is looking at preparing a shorter version which simplifies the language of the original plan without removing a great deal of content. This step alone will likely not address some of the needs, concerns and comments raised in the surveys. Council is also considering session discussion resources, highlighting ways the plan is being implemented through mediums like the *Presbyterian Connection* and also a revised presentation of the plan which lays out the points of the plan in a way which highlights the differences between local, regional and national church ministry and resources but also demonstrates how these three levels might work together and support each other.

RESPONDING TO CONCERNS SURROUNDING COVID-19

The restrictions and concerns related to COVID-19 have led all Canadians to shift and refocus their work in often radical ways. Since the beginning of the outbreak, the Assembly Council has been apprised of how the management and staff at the national office are pivoting in their work and continuing to serve the church. A summary of the actions that have been taken, particularly in the early stages of the restrictions (March – May 2020) is as follows:

STAFFING

Office Building Closed

On March 24, the Ontario government announced that in order to slow down the spread of the coronavirus, all non-essential businesses in the province must be closed for two weeks. Our office was closed starting from March 25. The closure of non-essential business was extended twice.

Preparing for Office Re-opening

The national office Health and Safety Committee is working on the development of COVID-19 pandemic preparedness and response protocols. These measures will be in line with government health and safety regulations to protect the well-being of employees and ensure a safe workplace when we are permitted to return to the office.

All departments functioning

All national staff are working from home. Regular check-ins are taking place to make sure staff have what they need to carry on with their work and adjust to new responsibilities.

The staff in Financial Services are meeting on a remote basis weekly. Information Technology staff can support the network remotely from home. The Management Team is meeting twice a week and provides updates to staff every Monday and Friday.

The General Assembly Office and Archives staff are likewise staying in close contact through email and weekly zoom meetings. Phone messages and email are all able to be responded to promptly.

In addition to participating in weekly Life and Mission Agency staff meetings on Monday afternoons, each department meets at least once a week and keeps connected by email and online meetings. All Life and Mission Agency staff receive their phone messages as emails so they can easily respond to calls or forward messages to a more appropriate responder. While much has changed about where we work, an emphasis has been on ensuring that as much as possible the work continues as usual (e.g., grants requests are received, considered and fulfilled as usual).

Mail, Deposits and other Financial Services Activity

With the closure of non-essential businesses for two weeks, management asked Canada Post to hold the mail in the post office. As the closure was extended, Canada Post was asked to resume delivery of the mail. On the week of April 20, three weeks of mail was processed. The general secretaries receive mail that belongs to their department and deal with it as appropriate. Staff from Financial Services take turns entering the office to process financial transactions. Invoices are being paid through Electronic Funds Transfers. Cheques are deposited every Friday. Payroll is being processed as usual.

PROGRAM

Communications and Website

Beginning on March 5, new resources were created and then added to the website to respond to questions about how to contend with COVID-19 related matters. The landing page of The Presbyterian Church in Canada's webpage was reconfigured to make access to resources for the ministries of the church during the pandemic easier. Mailing was shifted from physical to online delivery. The creation of the on-line resource portal in the last year has served the church well as resources are easily accessed.

Support for Congregations and other Ministries of the Church

Worship advice for special services was given, liturgy resources were written and webinars, etc., were provided to help worship leaders learn more about on-line worship. An index of congregations that stream their services was created and posted on the webpage.

Resources that address safety issues and best practices were provided and regularly updated along with links to where Government of Canada health guidelines could be found.

An emergency congregational loan program was created, and the requests addressed weekly. The coaching program was extended to all ministers in the church. New grants to support creative initiatives envisioned by congregations to reach beyond the congregation were provided. Additional financial support was provided to ministries with Indigenous peoples that offer meals.

The Stewardship and Planned Giving department provided live support to help ministries put electronic giving apps on their webpages or to sign up for the Pre-Authorized Remittance program. Links to provincial and federal government programs of financial support were posted on the webpage. Additionally, information and interpretive papers were written and live help was given to support ministries as they navigated government financial support programs.

Legal advice was sought and provided to ministries (especially camps) about human resources matters.

Access to zoom accounts, training and support was provided to the courts and congregations of the church.

Staff met with groups (e.g., camp staff, Indigenous ministry leaders, etc.) to determine immediate needs, offer support and provide information.

International Ministries repatriated eight people in April and supported them during the required 14-day quarantine.

PWS&D launched an appeal to gather funds to help international partners access PPEs.

Each congregation and the clerk of each presbytery/synod of the church is being called by a member of staff to hear how things are for the congregation and exchange information that might be helpful for creative ministry.

Crieff Hills

On March 18, the convenor of the Maclean Estate (Crieff Hills) Committee sent an emergency request to management asking for emergency support for Crieff Hills. This has resulted in a loan through the Lending Funds.

POLITY

General Assembly Implications

Working with the Assembly Council and its Executive, the General Assembly Office prepared a document for the whole church that outlines the implications of cancelling the General Assembly. That document can be found on the website and includes procedures for affirming the continuation of the current Moderator and the advisory committee, cancelling the election of the 2020 Moderator, appointing standing committees of the Assembly to serve until the next General Assembly, producing interim reports and study materials from standing committees and setting the time and place for the 2021 and 2022 General Assemblies.

Communication with Clerks of Presbytery and Synod

Each clerk of presbytery and synod has been contacted through personal phone calls and email to discuss any polity matters before their court and how they might be facilitated during a non-contact period. This also served as a personal check in and a means of gathering questions and concerns for response at the national level.

Standing Committee Membership and Reports

Interim reports from standing committees have been posted on the website starting May 8 at presbyterian.ca/ga2020. This will continue until all standing committees have interim reports posted. In addition to this, any standing committee with study and report documents intended for the church has been asked if they would like them posted for feedback as they continue to work this year and next.

Preparation of 'A&P' Year Book for 2020

The General Assembly Office will produce a 'Year Book' containing our usual statistics, 2019 financial statements, address lists and contact information. This will be available in pdf format and print on demand on a cost recovery basis.

Support for Digital Decision Making and Meetings

In collaboration with the Life and Mission Agency, the General Assembly Office has been providing technical and polity support for making decisions to facilitate the ongoing ministry of the church. This has included advice to search committees, sessions, calls, ordinations, inductions and worship. Within the polity of our church, new and flexible ways are being found and encouraged to put ministry first.

FINANCE

Analysis of Cash on Hand and Application for Line of Credit

Before the pandemic, whenever we needed cash, we could redeem our investments. Given that the markets have dropped significantly in the past few weeks and we don't know when the markets will recover, a line of credit is being negotiated with our bank. In the event that cash is needed and selling our investments at a loss is not desirable, a special group authorized by the Finance Committee will decide whether we should temporarily borrow from the Line of Credit.

Investments: Pension and Consolidated Funds

A small group composed of members of the Investment Advisory Committee and members of the Trustee Board has been formed to assess the current market situation. The group communicates on a weekly basis and will deal with issues resulting from the pandemic, such as liquidity, cash flow and assets mix of the Consolidated Portfolio and the Pension Fund.

Pension and Benefits Accommodation for Payments

The national office is conscious of issues related to the pandemic and we understand that the current climate is creating hardships and difficulties for congregations to remit payments on time. At present, we are able to provide leniency for payment deadlines and we are also willing to work with congregations to arrange payment plans once things stabilize. We are monitoring this situation closely and will communicate any other decisions as they are made available.

2020 Financial Projections and 2021 Budget

Management is working on a 2020 projection and will support the Finance Committee in the preparation of a revised 2021 budget for consideration by the Assembly Council toward the end of the year.

ASSEMBLY COUNCIL EXECUTIVE

Living in God's Mission Today

As the Executive arranges agendas for the Council, it seeks to include Bible study and other theological reflections. The Assembly Council was very pleased to welcome the Rev. Dr. Charles Fensham to our November meeting to lead us in a study of *Living in God's Mission Today*, a document commended to the church by the 2019 General Assembly from the Committee on Church Doctrine. Members were very engaged in the material and this, along with other theological and biblical studies undertaken by the Council, helps to keep its work grounded in our rich faith tradition and current trends in its interpretation and application.

Search for Principal, Presbyterian College, Montreal

The Executive received a request for the approval of the position description for the Principal and to circularize presbyteries for nominations. After reviewing the documentation, permission was granted and the Rev. Dr. J.P. Smit was named as the Assembly Council representative on that search committee.

Search for Dean, St. Andrew's Hall, Vancouver

The Executive also received a request for the approval of the position description for the Dean and to circularize presbyteries for nominations. After reviewing the documentation, permission was granted and the Rev. Geof Jay was named as the Assembly Council representative on that search committee.

ARCHIVES AND RECORDS COMMITTEE

The following report reflects highlights for this year. The regular daily work in the Archives and Records Centre involves: ongoing cataloguing, creation of detailed finding aid inventories for records collections, assisting church/general public researchers, preservation management of the records collections, records management advice for national office staff and church courts, completing involved research requests (historical and contemporary) and invoicing, creation of educational resources for managing church records, updating the Archives website, ongoing professional development and managing the national office records centre.

Membership

Current members are: the Rev. Teresa Charlton, Convener (Vernon, British Columbia), Ms. Marilyn Repchuck (Brantford, Ontario), Ms. Elizabeth Millar (Sackville, New Brunswick), the Rev. Ann Blane (Bobcaygeon, Ontario), the Rev. Geoff Ross, Committee on History (ex-officio), the Rev. Stephen Kendall, Principal Clerk (ex-officio), Ms. Kim Arnold, Archivist/Records Administrator (ex-officio) and Mr. Bob Anger, Assistant Archivist (ex-officio).

Volunteers

We are fortunate to have the Rev. Dr. Robert Anderson volunteering a half day each week. He is working on indexing articles from the *Presbyterian College Journal*. We are also grateful to Ms. Donna Murphy who volunteered from March 2018 to August 2019. As an experienced archivist, she was able to do both cataloguing and database work

which further enabled the ease of access to our records. The summer 2019 contract archivist, Ms. Melissa Nelson, is completing her graduate degree and has also been volunteering in the Archives since January 2020. She expressed an interest in helping with research enquiries and so her current project is focused on requests that specifically relate to family history.

Student Independent Study Course

Ms. Melissa Nelson completed her fall-term independent study project in December 2019. Her project involved cataloguing and digitizing approximately 40 audio cassettes of the Archives audio visual holdings. These cassettes contain oral history interviews that were conducted between the 1980s and early 2000s and represent the wider church.

Oral History

The Archives staff continue to receive additional recordings for the oral history collection in the Archives. We are grateful to Marilyn Repchuck and others who have done the interviewing and provision of these recordings for the Archives. We will continue to expand this program by locating others who can conduct interviews in all geographical regions across the country – and thus the Archives can obtain the life story of a larger swath of Presbyterians.

Microfilming

This year, the Archives staff has arranged for the microfilming of records from: Ashfield Church, Ashfield, Ontario; Knox Church, Oshawa, Ontario; Knox Church, Holstein, Ontario; Knox Church, Normanby, Ontario; Amos Church, Dromore, Ontario and St. Paul's Church, Glammis, Ontario. Archives staff continues to encourage the microfilming and scanning of congregational records (most important are session minutes and church registers) to create a back-up copy of the vital church records (session minutes and church registers) for added preservation insurance. The microfilming/scanning company used is Data Repro Com located in Toronto.

The staff recently designed a colourful flyer and distributed it in the PCPak as a helpful reminder for congregations to arrange for the microfilming and/or digitizing of their records through the Archives. This simple sheet has garnered a good response in terms of receiving a number of enquiries from congregations asking for guidance on the care of their church records and inquiring about getting records microfilmed.

Recommendation No. 1 (will be presented in final report to the General Assembly)

Step Into Your Archives

The Archives newsletter features interesting stories from the records held in the Archives as well as offering some instructional pieces related to church records management. The archivists aim for the production of two issues each year, which are distributed in the PCPak, available at the Archives display table at various church events and posted on the Archives website.

Records Management for Presbytery Clerks Resource

In response to requests from presbytery clerks, a new resource, *Records Retention and Disposition Schedule for Presbytery Records*, is complete as a draft and will be distributed to the clerks of the church for comment. From these comments, a final version will be created and will be ready for distribution.

Archives Website Image Protection

The staff consulted with Mr. James Laurenson, The Presbyterian Church in Canada's Website Coordinator, regarding the possibility of restricting the downloading of photos on the Archives website. It is now no longer possible for a researcher to download photos by simply right clicking on the image. An alert message appears if a person tries to capture the image. There is a caption at the bottom of all exhibit pages stating that if anyone would like a copy of an image they view on the website, they should contact the Archives.

Future Web Exhibit

Archives staff plan to ensure that a web exhibit highlighting the history of select women missionaries and deaconesses is created in the near future.

Church History Class

Each year, Prof, Stuart Macdonald very kindly asks the Archives staff to give his students a primer on the Archives as part of the curriculum for his church history class. Ultimately, the students work on a term paper which requires they make use of archival (primary) documents. In this way, the students come to the Archives where they can become more familiar with the history of the denomination and related breadth of collections available for research.

Presbytery of Kamloops Retreat

The convener of the Archives and Records Committee, the Rev. Dr. Teresa Charlton, invited one of the archivists to her presbytery (Presbytery of Kamloops) to be the guest speaker at their fall retreat. The Assistant Archivist travelled to Vernon, British Columbia in late October 2019, to speak on the topic of “Sharing Our History: Making Connections through Storytelling”. Sessions included relaying stories from the early history of The Presbyterian Church in Canada, a show and tell of historical items from the Archives and a discussion about projects and ideas that congregations could do based on their history and how this could facilitate closer connections to their local communities.

Records Management Seminar

The staff offered a casual in-house style seminar on records management for some of the newer staff at the national office. It is expected these sessions will be provided as needed with staff changes and/or need for a records management primer refresh.

Digitizing Records

In October, the staff reviewed the list of 8mm and 16mm film and U-matic tapes held in the Archives and identified some for digitizing. As it is not possible to do this digitization in-house, Digital Treasures, a company in Toronto, was chosen for this task. The staff will work to make this newly digitized resource better known to the national office staff as some might like to use old film footage in their own promotional/educational resources. Archives staff may feature some of these historical video clips on the Archives websites. In general, the availability of this alternate media from the Archives presents some exciting educational opportunities for the benefit of the whole church.

Records Management Shredding

One important aspect of the staff's responsibility is managing the Records Centre at Wynford Drive and providing records management advice to staff. The Records Centre is immediately behind the Archives facility and holds more recent paper records. Each spring, the Shred-It company comes to the office to complete a large amount of shredding of the records. The records designated for shredding have served their overall informational purpose and so are not needed permanently. The Archives staff work with the office area supervisors to confirm what records series are deemed to be of permanent importance; taking into account the financial, legal, historical and general informational significance of the records. Records of permanent importance ultimately come to the Archives.

George Leslie Mackay Family Documents

George Leslie Mackay's granddaughter, Margaret Mackay (now over 100 years old), recently moved out of her apartment. With this move some records relating to her father (George William Mackay) and grandfather's (George Leslie Mackay) work in Taiwan were identified and transferred to the Archives. This follows a larger collection of Mackay materials donated in 2014. We have witnessed the popularity of this topical historical collection with numerous researchers.

Crieff Hills Seminar Series

The Archives staff was invited to participate in the spring seminar series for church administrators at Crieff in May 2020 on the topic of managing congregational archives. Such events offer a wonderful opportunity to network and educate, allowing us to share information management knowledge with those interested and assigned this type of church work. This event was subsequently cancelled due to COVID-19.

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 \$6,792,173. This year, 2019 brought a 6.7% increase in the value of the funds from December 31, 2018 to December 31, 2019. From the income of these funds, approximately 18 persons received monthly support in 2019 totaling about \$93,860. In addition to these gifts and at the request of the Pension and Benefits Board, benevolent funds are supporting nine retired missionaries and two widows of retirees with a pension supplement totaling approximately \$60,000. Other emergency grants were made on a confidential basis to seven persons totaling some \$28,600.

Retired servants of the church and surviving spouses who are experiencing financial need are encouraged to contact the Principal Clerk in the General 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.

Bursary Funds

There are 31 bursary funds with a total capital of \$2,512,147. This is 7.1% lower than the total available capital from December 31, 2018. Approximately \$80,000 of income from these funds was awarded to some 40 candidates for the ministry of Word and Sacraments of The Presbyterian Church in Canada. For the 2019–2020 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, \$22,500 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.

In 2014, the Assembly Council, agreed to combine the responsibilities of the Cameron Doctoral Bursary Fund Committee and the Fund for Ministerial Assistance (FMA) with the Benevolence Committee. The minister of St. Andrew's Church, Ottawa, Ontario shall be a member of the Benevolence Committee to conform to the original terms of the FMA.

The Fund for Ministerial Assistance

The Fund for Ministerial Assistance was established by an anonymous gift 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 terms of the original indenture that stated gifts were to be made available 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).

This year the committee raised the rate of the foundational gift by \$50 with the result that for the coming year, all eligible ministers will receive a foundational gift of \$800 per annum. Likewise, all eligible children receive foundational gifts of \$800 per annum. The number of recipients fluctuates during the year; however, in the period between October 1, 2019 and December 31, 2019, 32 ministers received gifts with additional gifts distributed for the support of 63 children. In addition, 14 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. Because of the generosity of the church and the health of the fund it was possible to provide additional Christmas gifts this year to eligible ministers and their families.

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.

The Assembly Council gratefully acknowledges contributions made to the fund by congregations and individuals; their generosity makes it possible to continue the work initiated by Mr. Paterson.

CHURCH ARCHITECTURE

The Church Architecture Committee serves The Presbyterian Church in Canada by reviewing plans for new buildings as well as additions or significant renovations to existing buildings. The committee offers impartial comments on drawings as a way of helping congregations achieve safe, efficient and attractive facilities. Once satisfied, the committee sends its approval to the pastoral charge and the relevant presbytery. If Presbyterian Church in Canada grants are involved, a report will go to Canadian Ministries. If loans from the denomination are involved, a report will go to the Presbyterian Church Building Corporation and the Lending Fund Committee. The Church Architecture Committee is made up of architects, laypeople and three ex officio national office staff.

During the past year, the committee received three submissions. Two were for renovations that included the installation of elevators to improve accessibility. The third submission was for a major renovation of a church that would incorporate, within its footprint, residential and public use alongside space for the ongoing worship and mission of the congregation.

Congregations in the process of constructing new buildings or renovating existing ones are encouraged to submit drawings to the committee.

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 effective June 7, 2017, the current formula for distribution of assets is in place for those congregations that are dissolved after that date:

- 50% to Pension Plan Solvency Fund, up to a maximum of \$2 million;
- 10% to Indigenous Ministry Fund, up to a maximum of \$400,000;
- 40% to presbytery for approved mission initiatives.

A resource to assist congregations and presbyteries considering or dealing with an amalgamation or the dissolution of congregations is available through the General Assembly Office and Support Services. In November of 2019, the Assembly Council established this resource as a policy to be used in all cases of amalgamations and dissolutions.

FINANCE COMMITTEE

The Assembly Council is grateful to God for all of the generous contributions from Presbyterians across the country. Their generosity enables the denomination to carry on its mission and ministry throughout Canada and around the world. 2019 was a very blessed year, congregations and individuals gave over \$8.3 million to support the work of The Presbyterian Church in Canada. In addition, over \$1.5 million was left in bequests to support various ministries. Our investment portfolio returned in excess of 17% and we distributed all the realized gains when we switched investment managers. This raised the investment income by about 2.5 times compared to a normal year. As a result, the approved transfer of \$1.5 million was not needed. We even managed to achieve a surplus of \$868,000.

The Finance Committee of the Assembly Council oversees the operating budget as well as the stewardship of restricted funds and endowment funds of the Church. The Assembly Council is charged under its mandate to examine and approve the financial statements and then present them for information to the General Assembly.

HIGHLIGHTS FROM THE 2019 STATEMENT OF FINANCIAL POSITION

Cash – \$4.2 million (2018 – \$1.8 million)

We received a generous donation of \$2 million almost right at year end.

Loans – \$1.8 million (2018 – \$2.0 million)

During the year, three new loans were issued with a total value of \$224,000 while nine loans were paid off. There are currently 39 loans outstanding. The Lending Fund loans are effectively interest free to congregations if paid off within twelve years.

Investments – \$103.6 million (2018 – \$91.7 million)

The Consolidated Portfolio (CP) experienced strong return at 17.5%, surpassing its benchmark of 15.6% by 1.9%. There are now 115 participants including congregations, presbyteries and colleges that have invested their funds in the CP with a total market value of \$84.6 million. The portfolio is 65% equity and 35% fixed income.

Gift Annuities – \$2.2 million (2018 – \$2.1 million)

We now have 116 individual annuity contracts with Presbyterians across Canada. In 2019, there were four new annuity contracts with a value of \$226,000. Ten annuitants passed away and left a total gift remainder of \$438,000.

Fund Balances – \$112.2 million (2018 – \$96.8 million)

There are three funds that make up the balance: the Operating Fund (\$1.4 million), the Restricted Fund (\$64.9 million) and the Endowment Fund (\$45.9 million). Total distribution from the Restricted Fund was \$8.7 million, which was \$1.2 million lower than 2018.

STATEMENT OF REVENUES AND EXPENSES FOR OPERATING FUND

Revenue

Total revenue for 2019 was \$9.3 million, up by \$2.3 million when compared to 2018. The primary factor was a generous donation from an individual. Investment income was 2.5 times higher than a normal year. Offsetting these was a drop of \$198,000 from Presbyterians Sharing Congregations.

Expenditures

Total expenditures for 2019 were \$8.4 million, which was \$317,000 lower than budgeted and almost the same as 2018.

PRESBYTERIANS SHARING CONGREGATIONS

Presbyterians Sharing has seen a decline in income from congregations in recent years. There are several reasons for this, including declining number of congregations, smaller congregations, increasing expenses. The commitment of Presbyterians to doing mission and ministry together, expressed through their gifts, is impressive. In 2019 58% of congregations were able to maintain or increase their gifts to Presbyterians Sharing while 42% saw declines in their gifts.

Out of 825 active congregations:

- 281 congregations (34%) gave MORE (\$322,353 more)
- 197 congregations (24%) gave the SAME
- 347 congregations (42%) gave LESS (\$546,137 less)

Note: Eight congregations which were inactive at the end of 2019 gave \$35,441.69.

BEQUESTS

\$1,580,000 was received from 16 estates; of which, \$181,000 was undesignated. \$1,371,000 million was donated to PWS&D.

FINANCIAL STATEMENTS DECEMBER 31, 2019

The Assembly Council, on the recommendation of the Audit Committee, has approved the financial statements for The Presbyterian Church in Canada and the Pension Fund and presents them to the General Assembly for information.

Recommendation No. 2 (will be presented in final report to the General Assembly)

Recommendation No. 3 (will be presented in final report to the General Assembly)

2021 BUDGET

Based on the Bank of Canada's Monetary Policy Report dated January 22, 2020, the bank is expecting the Canadian economy to grow at 1.3% in the first quarter of 2020 and a pickup to about 2% after that.

The majority of the operating budget of The Presbyterian Church in Canada comes from donations to Presbyterians Sharing from congregations and individuals. This provides an opportunity for congregations as well as individuals to participate in the mission and ministry of our church across the country and around the world.

The church has been blessed with various funds that have accumulated over the years. In aggregate, the funds have grown from \$68 million in 2000 to over \$100 million at the end of 2019. Most of this growth was due to appreciation of the market value. While some of these funds are externally restricted (e.g., by the terms of estates), many are available for the use of the church's ministry by decision of the Assembly Council, or the Life and Mission Agency.

These funds also generate considerable income on an ongoing basis and are therefore sustainable as sources of revenue for the operating budget for many years to come. The dissolved congregations fund (The Presbyterian Church in Canada portion) is an example of this. It currently stands at \$10.5 million and over the past five years has earned an average of \$333,875 per year. The Presbyterians Sharing Legacy Fund is also available to assist with the operating budget. This fund receives undesignated bequests and the money is used for the work of the church based on priority established by the Assembly Council.

In recent years, Presbyterians Sharing from congregations has been declining. In order to avoid drastic reductions in the programs of the church which we do together denominationally, the difference between revenue and expenditures in the operating budget has been supplemented through the use of various funds. In the past three years, around \$1.4 million to \$1.7 million has been approved for transfer from various funds into operations, representing 17% to 19% of the operating budget.

In 2021, the revenue estimate for Presbyterians Sharing from congregations has been dropped by \$200,000 compared to the 2020 budget. This is partially offset by an increase of \$100,000 for Presbyterians Sharing from individuals. In order to not increase inter-fund transfers significantly, the budgeted expenditures will need to be reduced by 1.3% or \$111,000. Grants to colleges will reduce in proportion to the decrease in Presbyterians Sharing. (They are set at 10% of the actual Presbyterians Sharing from congregations based on the latest available figure). All salaries will absorb a cost of living adjustment in the salary line of 2.0% or around \$77,000.

Given increases in some of the fixed costs in the budget (e.g., maintaining the national office building, an extra day for the General Assembly, special committees and Cost Of Living Allowance increases), the area that is able to sustain a reduction in the expenditure budget is the Life and Mission Agency. The Life and Mission Agency has been underspent in some areas that can sustain cuts without hampering programs significantly. Moreover, because of funds, like those described above, the Life and Mission Agency will be able to ensure that those areas that are of priority in the mission of the church (established by the General Assembly and implemented by the Life and Mission Agency) can continue to be funded.

The Management Team will make every effort to carry on the programs of the church while spending scarce resources prudently. In case there is a large drop in Presbyterians Sharing, the current \$1.3 million surplus in the Operating Fund can absorb some deficit. Depending on the amount of reduction, further budget reduction may be necessary for future years.

| RECEIPTS | 2019 Actual \$ | 2020 Budget \$ | 2021 Budget \$ |
|-------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Presbyterians Sharing Congregations | 6,131,801 | 6,300,000 | 6,100,000 |
| Individual Presbyterians Sharing | 2,235,061 | 150,000 | 250,000 |
| Income from Investments | 802,789 | 310,000 | 300,000 |
| Income from Estates | 9,835 | 10,000 | 10,000 |
| WMS Contributions | 70,000 | 35,000 | 0 |
| AMS Contributions | 31,621 | 40,000 | 45,000 |
| Income from Other Sources | (4,725) | 81,000 | 83,000 |
| Bequest Revenue | 20,850 | 50,000 | 50,000 |
| Total receipts | 9,297,232 | 6,976,000 | 6,838,000 |
| EXPENDITURES | 2019 Actual \$ | 2020 Budget \$ | 2021 Budget \$ |
| General Assembly Office | 992,805 | 1,014,000 | 1,014,000 |
| Life and Mission Agency | 5,351,322 | 5,586,493 | 5,495,320 |
| Support Services | 1,384,460 | 1,442,500 | 1,442,500 |
| Colleges | 700,000 | 633,007 | 613,180 |
| Total expenditures | 8,428,587 | 8,676,000 | 8,565,000 |

College Grants

Grants to colleges are set at 10% of the most recently completed year (2019) of Presbyterians Sharing revenue from congregations. The grant for 2021 will therefore be \$613,180.

| Interfund Transfers Breakdown of Transfers Restricted to Operating | 2019 Actual \$ | 2020 Budget \$ | 2021 Budget \$ |
|---|-------------------------------|-------------------------------|-------------------------------|
| Transfer from Restricted Fund | 0 | 1,400,000 | 1,400,000 |
| Transfer from Presbyterians Sharing Legacy Fund | 0 | 300,000 | 300,000 |
| | 0 | 1,700,000 | 1,700,000 |

Given the uncertain financial situation due to the COVID-19 restrictions, the Assembly Council has provisionally approved the 2021 budget and asked the Finance Committee to monitor the situation and bring a revised budget to the November 2020 meeting of Assembly Council.

Recommendation No. 4 (will be presented in final report to the General Assembly)

THREE YEAR FORECAST 2022–2024

The following is one possible “future” scenario. It is not meant to suggest that this will be the recommended “future”. What the following intends to show is that the revenues line up with a level of expenditures and transfers from restricted funds that are sustainable over a three to five-year period.

| | 2022 \$ | 2023 \$ | 2024 \$ |
|--|--------------------|--------------------|--------------------|
| Presbyterians Sharing Congregations | 6,000,000 | 5,900,000 | 5,800,000 |
| Presbyterians Sharing Individuals | 250,000 | 250,000 | 250,000 |
| Income from Investments | 300,000 | 300,000 | 300,000 |
| Income from Estates | 10,000 | 10,000 | 10,000 |
| AMS Contributions | 40,000 | 40,000 | 40,000 |
| Income from Other Sources | 85,000 | 90,000 | 90,000 |
| Bequest Revenue | 50,000 | 50,000 | 50,000 |
| Total Receipts | 6,735,000 | 6,640,000 | 6,540,000 |
| Total All Expenditures | 8,435,000 | 8,340,000 | 8,240,000 |
| Net expenditures in excess of receipts | (1,700,000) | (1,700,000) | (1,700,000) |

| | | | |
|---------------------------------------|------------------|------------------|------------------|
| Opening balance Operating Fund | 1,338,917 | 1,338,917 | 1,338,917 |
| Transfer from Restricted Fund | 1,700,000 | 1,700,000 | 1,700,000 |
| Closing balance Operating Fund | 1,338,917 | 1,338,917 | 1,338,917 |

Breakdown of Transfers Restricted to Operating

| | | | |
|---|------------------|------------------|------------------|
| Transfer from Restricted Fund | 1,400,000 | 1,400,000 | 1,400,000 |
| Transfer from Presbyterians Sharing Legacy Fund | 300,000 | 300,000 | 300,000 |
| | 1,700,000 | 1,700,000 | 1,700,000 |

In addition to a revised budget, revised forecasts will also be prepared.

Recommendation No. 5 (will be presented in final report to the General Assembly)

MANAGEMENT TEAM

The Management Team is comprised of the Rev. Stephen Kendall, Mr. Oliver Ng and the Rev. Ian Ross-McDonald. They meet regularly to discuss issues related to staffing, policies and all other matters that emerge or that are assigned to them.

Theological Education Liaison Group

The Heads of Colleges and a representative from each college board meet together with the Management Team twice a year to discuss matters of mutual concern and responsibility. We met most recently by zoom hosted by the Rev. Dr. Bob Paul of St. Andrew's Hall on February 24, 2020. This gathering is a helpful point of connection. The group tries to visit each of the college sites once every two years and plans to hold our November 2020 meeting in Montreal.

Human Resources

The Assembly Council oversees the development of human resources policies for staff at the national office, that are, in turn, implemented by management. This year, the Management Team assisted in a thorough review of the Human Resources Policy Handbook that relates to staff at the national office.

In January a human resources seminar was arranged for senior staff and led by Ms. Kathy Smit and Ms. Lorraine Irvine, human resources professionals who serve on the Assembly Council's Human Resources Policy Committee. The focus of the day was on preparing position descriptions and the pay banding process.

COVID-19

The Management Team has been handling the radical pivot to new ways of working as a national staff during COVID-19 restrictions. The office was closed in the middle of March 2020 and staff are working from home. A summary of the national office responses to COVID-19 can be found at the beginning of this report (see p. 2). The national office Health and Safety Committee has been charged with ensuring that when the time comes to return to the office, it will continue to be a safe workplace.

OVERTURES AND OTHER REFERRALS TO ASSEMBLY COUNCIL**OVERTURE NO. 5, 2019** (A&P 2019, p. 511)**Re: Committee to Nominate Terms of Reference**

Overture No. 5, 2019 requests that the Assembly dissolve the current Committee to Nominate Standing Committees from its current status as a standing committee of the General Assembly and return to a previous process whereby a unique committee was established at each Assembly to work at the Assembly to present a slate of nominations for the various standing committees of the church.

The framers of the overture are concerned that a perception of bias may be present in the current system which they do not believe was present in the past.

The General Assembly in 2012 approved changes to the structure and workings of the Committee to Nominate Standing Committees with the adoption of Book of Forms 288.1 and the Terms of Reference (A&P 2010, p. 361–62, 41).

The Committee to Nominate proposes nominations for membership on each of the General Assembly's standing committees. It coordinates the call for and reception of nominations and assists the church in finding members who can serve at the national level on committees where their gifts and skills are most needed and can best be used. It meets through the year to gather nominations from synods, presbyteries, sessions and committees. Having the opportunity to review the nomination profiles and for discussion allows the committee to best match the needs of the church with the gifts and skills of those nominated. Without this additional time, the committee expects that it would have to rely more on name recognition, which is not likely to create greater balance or reduce individual bias. The committee also follows up to ensure, insofar as possible, that a balanced slate can be presented to the Assembly and made available ahead of the Assembly in the Book of Reports.

The Committee to Nominate Standing Committees consists of nine members of The Presbyterian Church in Canada, appointed for a three-year non-renewable term, nominated by the eight synods from within their bounds, with one synod, every three years in rotation, nominating one extra member to make up the full complement of nine. Each synod membership team alternates between clergy and non-clergy (see Book of Forms 288.1). Furthermore, the selection of the committee's membership by the synods reduces the influence of any single court of the church.

Prior to 2012, a selection of commissioners was asked to come a day early to the Assembly and work in what was often a rushed and high-pressure situation to prepare a slate from the available nominations. There was little opportunity to follow up with committees and individuals in order to match the needs of a committee with the skills of the nominees. Commissioners were only able to see a proposed slate after the Assembly had already commenced.

The Assembly Council and the Committee to Nominate Standing Committees believe a return to the previous structure would neither be beneficial for this committee's work nor effective in reducing bias.

Recommendation No. 6 (will be presented in final report to the General Assembly)

OTHER OVERTURES AND REFERRALS

In view of the fact that the Assembly Council was unable to meet in person for its usual March meeting prior to the preparation of this interim report, a number of overtures and reports were not able to be considered. The Assembly Council felt that these items warranted careful consideration at future meetings. This will take place during the year so that reports can be ready for the 2021 General Assembly. The text of the following overtures can be found in Referred Overtures – 2020 on presbyterian.ca with the other interim reports.

OVERTURE NO. 9, 2018 (A&P 2018, p. 492, 231, 15)

Re: Granting vote for young adult representatives 2020

From the session of St. Giles (St. Catharines, Ontario) and transmitted with approval by the presbytery of Niagara.

OVERTURE NO. 5, 2019 (A&P 2019, p. 511)

Re: Committee to Nominate Terms of Reference

From the Presbytery of Algoma and North Bay

ADDITIONAL MOTION (A&P 2019, p. 53)

From the 2019 General Assembly and

OVERTURE NO. 2, 2020 (see Unreferred Overtures – 2020, p. 1)

Re: General Assembly worship guidelines

From the Presbytery of Kamloops

OVERTURE NO. 4, 2020 (See Referred Overtures – 2020, p. 2)

Re: Information on legal implications of Remits B and C, 2019

From the Presbytery of Algoma North Bay.

OVERTURE NO. 9, 2020 (See Referred Overtures – 2020, p. 4–5)

Re: New governance model following remit decisions

From the Session of Grace, Orleans and transmitted without comment by the Presbytery of Ottawa.

OVERTURE NO. 10, 2020 (See Referred Overtures – 2020, p. 5–6)

Re: A place for congregations and ministers with traditional Biblical understanding

From the Session of Grace, West Hill, Toronto, transmitted with the approval of the Presbytery of Pickering.

NATIONAL INDIGENOUS MINISTRIES COUNCIL

Re: Terms of reference to become a standing committee (A&P 2019, p. 34)

From the 2019 General Assembly.

CLERKS OF ASSEMBLY REPORT AND RECOMMENDATION REGARDING CONGREGATIONS CONSIDERING LEAVING THE PRESBYTERIAN CHURCH IN CANADA

This report and recommendation were referred to Assembly Council (A&P 2018, p. 254, 36), which in turn established a working group (the Gracious Dismissal Committee) to review and prepare a response for consideration by Assembly Council. A progress report has been considered by Assembly Council (no recommendations considered) at the November 2019 meeting. An initial draft report has been prepared and a subsequent draft will be considered by Assembly Council at a future meeting.

OTHER ASSEMBLY COUNCIL MATTERS

CONFLICT OF INTEREST

Each Assembly Council meeting begins with an acknowledgement of the Traditional Territory where we are meeting and a time of worship. As our meeting enters a stage of decision-making (normally through a consensus-building process), each member is asked to review our conflict of interest policy and indicate whether they believe they might stand to benefit disproportionately to other members as a result of any decision that might be taken. This is one of the elements of good governance that the Assembly Council seeks to live.

GENERAL ASSEMBLY DESIGN TEAM

A General Assembly Design Team has been working with the staff in the General Assembly Office to facilitate the operation, schedule and worship life of the General Assembly. The Assembly Council is grateful to the members of this team: the Rev. Dr. Patricia Dutcher-Walls, the Rev. Hugh Donnelly, Mr. Tristan Gorrie, Ms. Patty Farris, the Rev. Dr. Kristine O'Brien and the Rev. Jeffrey Murray. Thanks are also due to past members Ms. Nancy Harvey and the Rev. Jane Swatridge.

RAINBOW COMMUNION

The Assembly Council has been pleased to welcome the co-conveners of the Rainbow Communion, the Rev. Dr. Bob Faris and Ms. Sue Senior once each year to provide an update on the work of the committee and engage in discussion about the current and future initiatives the committee hopes will be embraced by the church.

POLICY FOR THE AMALGAMATION OR DISSOLUTION OF CONGREGATIONS

For several years now Guidelines for the Amalgamation or Dissolution of Congregations have been available to assist presbyteries and congregations faced with this reality. The Assembly Council adopted these guidelines as a policy and made them available on the website. This policy will assist in bringing clarity to the process and conditions related to amalgamations and dissolutions.

INDIAN RESIDENTIAL SCHOOLS SETTLEMENT AGREEMENT

It is likely that the legal obligations for the church under the Indian Residential Schools Settlement Agreement will conclude in 2020 or early 2021. Over 99.8% of the individual claims have been through the adjudication process as of spring 2020.

The Rev. Stephen Kendall and Ms. Carragh Erhardt have been representing The Presbyterian Church in Canada at the All-Party Table that has been focusing on implementing the Calls to Action from the Truth and Reconciliation Commission of Canada (TRC) that relate to the parties to the agreement. The Table hopes that a Covenant of Reconciliation (Call to Action 46) will be ready to be launched in December of 2020. This date is five years following the final report of the TRC and will provide an opportunity for not only the parties but other organizations that were not part of the settlement agreement to make a visible commitment to reconciliation. At that point, it is expected that the Table will shift in its focus and become a forum for mutual accountability as organizations continue to carry out these commitments.

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 and cooperates with the Assembly Council in the many areas where the work of the committees overlap.

APPRECIATION TO MEMBERS OF COUNCIL

The Assembly Council is grateful to God for the commitment, energy, prayer and thoughtfulness of those who serve this church on its committees, agencies and councils. Normally there are a number of members whose terms end annually. This year, in light of the cancellation of the 2020 General Assembly all but one member will continue to serve on the Council.

The Rev. Daniel Forget from the Presbytery of Quebec served in the presbytery category for three years. We are thankful for his contribution to the Council and the Finance Committee.

Three members will commence their second three year term: the Rev. Germaine Lovelace, Ms. Barb Sargent and the Rev. John Wilson.

The Council is grateful that the following members are willing to serve for one more year: the Rev. Hugh Donnelly, Ms. Carol Stymiest and Ms. Cheryl Weeks.

Sandra Cameron Evans
Convener

Stephen Kendall
Secretary