

December 3, 2016

Diocesan Council

The Church Extension and Ministry Development Fund

Introduction:

1. The Church Extension Fund was established by the Synod of 1959 and commenced operation in 1960. The fund initially borrowed \$500,000 to create the fund that would provide funds for urgent Church extension in the Diocese. Existing parishes were assessed an apportionment to repay the initial loan and thus to sustain the operation of the fund. Through repayment of loans and the apportionment levied the fund has maintained its financial viability and today currently has \$2,500,900 in mortgages outstanding and \$1,313,600 in investments. The established principal in the Fund is \$500,000.
2. The Church Extension Fund was governed by a Church Extension Fund Committee, whose regulations directed how the fund operated. The Committee was composed of the Bishop, the Coadjutor Bishop, the Clerical Secretary, the Diocesan Commissioner, five clerical members, the Chancellor, the Diocesan Treasurer, two lay members from the Board of Finance and three other lay members not necessarily members of the Diocesan Synod. The five clergy and five lay members were elected annually by the Synod. The Church Extension Fund Committee has not met in a number of years and is thus considered to no longer serve the needs of the Diocese.
3. The Church Extension Fund has two streams of funding – one for loans (for capital projects, etc.) and one for grants (for mission outreach projects).

A loan (unsecured) by means of a Promissory Note is any loan principal that is \$15,000 or less. Loans in excess of \$15,000 will be extended by means of a mortgage (secured) document. The cost of preparing the mortgage instrument will be paid by the requesting parish.

4. The Church Extension and Ministry Development Fund may provide a loan in the following categories, in order of priority:
 - a. Purchase of suitable land sites which are or may be in areas of new development;
 - b. New building of churches, rectories or halls in recently developed areas where no facilities are in existence; and
 - c. New churches, rectories or parish halls on other sites within an existing parish or additions to or enlargements of churches deemed necessary by increase of church population in localities where there is considerable industrial or housing developments;

Please note - All loans provided to parishes are repayable.

5. The Church Extension and Ministry Development Fund may provide a grant to a parish for the establishment of a Mission Outreach Project within a church, parish, or region that is deemed appropriate by the Bishop for the purpose of stimulating growth or enhancement of parish's life within their community.

Definition of a Mission Outreach Project - an intended program or activity that a parish undertakes as an outreach to engage with the wider community.

The Church Extension and Ministry Development Fund can enhance the work of the parishes by assisting with seed monies for mission projects and initiatives that develop or create opportunities for deeper interaction with the surrounding community and stimulate possibilities for growth and renewal.

Please note – Approved Mission Outreach Project grants are non-repayable.

All successful applications are to provide a summary of benefits realized from the Mission Outreach Project.

6. The maximum of funds that may be loaned or granted annually with respect to Mission Outreach is restricted to 10% of the principal of the fund (\$500,000). For example, this would limit the amount available to \$50,000 (in total). The maximum amount that a parish may apply for is \$10,000. The greater the amount is of all loans made in a particular year, the less the amount that will be available for funding grants for Mission Outreach Projects to particular parishes.
7. Application Process: Applications for grants for Mission Outreach Projects are to be submitted to the Parish Relations Task Group of the Diocese. All applications are to be submitted by 15 October for consideration for the next fiscal year. The application form is attached as an appendix to these guidelines.
8. In order to qualify for a loan under the Church Extension and Ministry Development Fund, parishes must:
 - a. have paid allotment for the preceding year in full by January 31st of the following year;
 - b. have complete plans for the project with detailed costs indicated;
 - c. have necessary permits from the local municipality; and
 - d. submit parish financial statements and not be in receipt of a Diocesan grant or loan in the preceding five years unless the loan application provides positive new direction that develops and enhances spiritual life throughout the region of the parish.
9. In order to qualify for a grant under the Church Extension and Ministry Development Fund, parishes, must:
 - a. have complete plans for the mission project with detailed costs indicated;

b. show clearly how this project provides positive new direction that develops and enhances spiritual life throughout the parish, region, and their wider community; and

c. commit to providing timely feedback and review of the project and its successes to the Fund Board.

10. Applications for loans under the Church Extension and Ministry Development Fund are primarily intended to provide infrastructure needs of the Church property (land and buildings).

11. Applications for grants for Mission Outreach Projects are to provide seed money to assist the Mission undertaken but not to cover any costs related to stipends or salaries.

12. The revised Church Extension and Ministry Development Fund will permit modest support to parishes that have a need for funds. However, it is not replacement for continued financial support of the parish. Parishes in dire financial straits should be consulting with the Diocese to determine how best to continue to serve the spiritual need of the parish.