New Funding Model An Easy to Share Summary

Objective of the New Funding Model

The objective of the new funding model quite simply is to provide individuals, families, and congregations with a sustainable and understandable way of supporting our collective mission and ministry and our collective governance and shared services.

What about This Is New?

In this new funding model, congregations will be billed for an assessment based on their annual revenue to support the governance and shared services of all the regions and the General Council Office.

Individuals, families, and congregations will continue to have the opportunity to <u>donate</u> to the Mission & Service of the church to support our collective ministry, which is carried out in congregations, regions, the General Council Office, across Canada, and around the world through our Mission & Service partners. (In times of financial pressure this will assure that future Mission & Service donations will not be used to fund governance.)

Principles of the New Funding Model

The new model is based on a church-wide agreement to the following shared principles:

- **Fairness:** Congregations will all use the same formula to calculate their assessment so that they will be sharing in a proportional and transparent way the costs of the broader church.
- Sharing: Regions will each receive an equal share of both the total assessment and the total
 Mission & Service revenue to fund their regional work. This means that those regions that
 generate more revenue will be sharing with those that generate less revenue.
- Clarity: It will be clear to all that congregations will be assessed denominationally to fund only the governance and shared services and that donations will be given to Mission & Service to fund only mission and ministry.
- Phase-In: To support a gentle transition if a congregation's new assessment is higher than last
 year's, they may elect to limit the amount of the increase to 10%. With a maximum increase of
 less than half a percent of the operating budget, it is hoped that congregations will be able to
 phase in the new assessment without putting their congregational, outreach, or Mission &
 Service support at risk.
- **Flexibility:** To support extra initiatives within a region, the region may decide to have an additional regional assessment to carry out additional work.

More Information

See the <u>New Assessment Process</u> webpage for more background information, or contact remits@united-church.ca.