ANGLICAN DIOCESE OF OTTAWA
Policy to Allow a Parish to Use Funds from Its Consolidated Trust Fund to Pay the Extra Parish Fair Share Resulting from a Capital Project

INTRODUCTION

At present withdrawals from the Consolidated Trust Fund (CTF) may be made to pay for capital projects and major repairs but not for operating expenses. Two years after a withdrawal, the parish has to pay an additional amount of Parish Fair Share (PFS)—approximately 12% of the withdrawal. The parish cannot make a second withdrawal from its CTF to cover this extra PFS because PFS payments are considered to be an operational expense. This addition to operating expenses can have a significantly detrimental effect on some parishes' available funds.

This policy is consistent with the efforts of the Apportionment Review Committee (ARC) to have parishes consider the PFS implications of every project they undertake, bequest they receive and campaign they launch at the planning stage, rather than two years after the money has been spent. The policy allows a parish to use funds from the CTF to pay PFS on a project, rather than having to find the funds from its operating dollars, two years after the fact.

POLICY

Parishes withdrawing money from their CTF to pay for an approved capital project that would not normally be exempt from PFS may, at the same time, withdraw an amount from the CTF in order to cover the additional PFS. This extra amount will be calculated using the PFS rate at the time of the withdrawal.

The parish will pay to the Diocese this apportionment on the withdrawal at the time of the withdrawal. The parish would then list this income on its statistical return for that year as an exempted amount.

Example

	Status Quo	**Policy Effect**
Year 2008		
Withdrawal of Capital from CTF	$200,000	$224,000
Payment of Parish Fair Share (say 12%)		(24,000)
Year 2010		
Payment of Parish Fair Share from Operating funds (say 12%)	$24,000	NIL

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