

## Apportionment FAQ

### *What is Apportionment?*

Apportionment is the contribution made by each parish to the diocesan budget each year. It is a “fair share” amount calculated according to a formula agreed upon by Synod, and amended from time to time by Executive Council. The apportionment contributed by parishes represents over 90% of the income in the diocesan budget.

### *How is Apportionment a “fair share”?*

Apportionment is calculated according to an income-based formula agreed upon by Synod. Thus each parish’s apportionment is proportional to its income. In general, parishes with higher income are asked to contribute a higher amount, and parishes with lower income are asked to contribute a lower amount, each proportionally to its means.

### *Why do we pay Apportionment?*

Parishes pay apportionment as the financial part of their participation in the whole diocese. The diocese is the central unit of the Anglican Church, and each parish forms a part of the diocese. Together as a group covering the entire central region of Alberta we engage in mission and ministry as a team, and this mission and ministry need to be funded regionally just as they need to be funded in each parish. Similarly, the diocese forwards some of its income to the Ecclesiastical Province of Rupert’s Land and to the General Synod to fund our ministry at the Provincial and national levels.

### *What does Apportionment pay for?*

Apportionment makes up over 90% of the income in the diocesan budget. The budget enables us as a diocese to engage in areas of inward ministry and outward mission.

Inwardly, the budget funds the operation of the Synod Office, including salaries and operational expenses, which provides leadership and support to parishes, to clergy and to the whole diocese. This includes activities such as:

- Support for parishes: Bishop’s visits and confirmations, assistance with financial, property, legal and insurance matters, payroll and PAG services, provision of interim ministry and recruitment of new clergy, management of employee benefits
- Continued support and training for clergy and lay leaders: Clergy retreats and educational conferences, lay reader training and support, conferences such as Vital Church
- Communication vehicles such as our website, the Messenger and the Synod Scene

Outwardly, the diocesan budget funds our collective ministry in certain areas that require a different level of effort than is practical for parishes to do on their own. This includes mission in such areas as:

- Youth ministry: youth Alpha, the Bishop's Youth Day
- Pastoral ministry: Inner City Pastoral Ministry, Indigenous ministry, hospital and university chaplains
- Outreach to our partner diocese of Buyé

#### *How is Apportionment calculated?*

Apportionment is calculated based on a three-year average of parish assessable income. The parish income and expenses for the three years prior to the year in which apportionment is calculated is taken into consideration. Apportionment is paid in the year after the year of the calculation. Thus, for example, apportionment for 2017 was calculated in 2016, based on the parishes' financial statistics for 2013, 2014 and 2015.

Assessable income is defined as:

Total parish income  
Less 65% of minimum clergy salaries  
Less 65% of salaries for administrative, liturgical and lay pastoral employees  
Less 65% of honoraria  
Less 65% of utilities  
Less 65% of travel costs  
Less funds transferred to capital or endowment funds  
Less Offerings for forwarding  
Less Excess Capital Expenditures (*capital expenses and loan payments minus 5% of offerings*)  
Less Reach Campaign proceeds

Apportionment is 24% of the three-year average assessable income.

#### *Why did our parish apportionment go up this year?*

Bearing in mind the above formula, a rise in apportionment would be caused by some combination of increasing income and decreasing exclusions over the previous four years. Obvious factors would include a successful stewardship campaign, change in staffing costs or the completion of a major capital project.

#### *Why did our parish apportionment go down this year?*

Strangely, no-one ever asks this question.