

# Parochial Cost Recoveries and Support for the Diocese Ordinance 2009

(Reprinted under the Interpretation Ordinance 1985.)

The Parochial Cost Recoveries Ordinance 2009 as amended by the Cost Recoveries (Parochial Network) Amendment Ordinance 2011 and the Parochial Cost Recoveries Ordinance 2009 Amendment Ordinance 2011.

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## Long Title

An Ordinance to determine the cost recoveries charge payable by parochial units in 2010, 2011 and 2012, to authorise the application of such charge, for additional financial contributions by parochial units to the Diocese in 2012 and for incidental purposes.

## Preamble

A. Under clause 4 of the Cost Recoveries Framework Ordinance 2008 (the “Framework Ordinance”), a parochial unit is to pay a cost recoveries charge each year in respect of ministry costs and parochial network costs specified or determined in accordance with an ordinance referred to in clause 5 of the Framework Ordinance.

B. By clause 5(1) of the Framework Ordinance, the Standing Committee is to prepare for the second ordinary session of the 48<sup>th</sup> Synod a proposed ordinance which specifies the cost recoveries charge to be paid by each parochial unit in 2010, 2011 and 2012, or the method or methods by which such charge may be determined by the Standing Committee, and authorises the Standing Committee to apply such cost recoveries charges toward ministry costs and parochial network costs.

C. Provision is also made through this Ordinance for parochial units to contribute at their discretion funds for support of the Diocese, specifically in light of extraordinary financial circumstances prevailing in the Diocese as a consequence of the global financial crisis 2008-9.

The Synod of the Diocese of Sydney Ordains as follows.

### 1. Name

This Ordinance is the Parochial Cost Recoveries and Support for the Diocese Ordinance 2009.

### 2. Definitions

In this Ordinance –

“year” means a period of 12 calendar months commencing on 1 January.

“ministry costs” means the costs, expenses, charges or contributions for the year referred to or contemplated under clause 2(2)(a) of the Framework Ordinance.

“parochial network costs” means –

(a) for 2010 and 2011 –

(i) the costs, expenses, charges or contributions for the year referred to or contemplated under clause 2(2)(b) of the Framework Ordinance, and

(ii) the cost of the parish risk management program, and

- (iii) two-thirds of the costs for the year of the Professional Standards Unit, and
- (iv) the cost of the safe ministry program, and
- (b) for 2012 –
  - (i) the costs, expenses, charges or contributions for the year referred to or contemplated under clause 2(2)(b) of the Framework Ordinance, and
  - (ii) the cost of the parish risk management program, and
  - (iii) five-sixths of the costs for the year of the Professional Standards Unit, and
  - (iv) the cost of the safe ministry program, and
  - (v) the cost of membership of and affiliation with the Anglican Church of Australia, the Province of New South Wales and the New South Wales Council of Churches, and
  - (vi) one-third of the cost of the Diocesan Archives, and
  - (vii) the cost of supporting a standard accounting system for parishes.

“parochial unit” means a parish, provisional parish, recognised church or provisional recognised church in the Diocese of Sydney.

“parochial unit with property” means a parochial unit for which real property is held on trust or which has the use of real property held as part of the fund constituted under the Mission Property Ordinance 2002.

### **3. Cost recoveries charge**

- (1) In 2010, 2011 and 2012 each parochial unit is to pay a cost recoveries charge calculated according to the formula in the Schedule.
- (2) The Standing Committee is to report to the third ordinary session of the 48<sup>th</sup> Synod and the first ordinary session of the 49<sup>th</sup> Synod about –
  - (a) the ministry costs and parochial network costs payable in the following year and an estimate of the amounts so payable, and
  - (b) the cost recoveries charge estimated to be payable by each parochial unit in the following year and details of how that charge is calculated.

### **4. Directions for Application**

- (1) The cost recoveries charge paid by a parochial unit under clause 3 is to be applied to the payment of the ministry costs and property costs incurred, or to be incurred, in the year for which that charge is paid.
- (2) If the Synod or the Standing Committee specifies, by resolution passed before or after the date this Ordinance comes into effect, a fixed amount to be applied to the payment of the cost of membership of and affiliation with the Anglican Church of Australia, the Province of New South Wales or the New South Wales Council of Churches in respect of a year, no payment may be required on account of such cost in excess of that amount during the year. The Synod or the Standing Committee, by resolution, may vary that amount from time to time.

### **5. Parochial support for Diocesan recovery**

For 2012, provision is made under this Ordinance for the receipt and administration of contributions by individual parochial units to contribute to the financial recovery of the Diocese on the following basis –

- (a) payments made are optional,
- (b) the amount of any such payment by a parochial unit to be determined by normal resolution of the Parish Council or comparable authority within each parochial unit,
- (c) payment to be made at the time compulsory payments as determined under this Ordinance are made,
- (d) the payment by a parochial unit to be designated “Parochial support for the Diocese” in Diocesan financial documentation provided to parochial units; and together with
- (e) any other funds received by the Diocese as “Parochial support for the Diocese” and in that context to be designated ‘Donation’,

- (f) the total amount accruing as “Parochial support for the Diocese” to be reported to Standing Committee and Synod with reference to subtotals arising under (d) and (e) above and the number of parochial units contributing to be specified under (d), and
- (g) apart from information specified under (f) above, all other information including the names of parochial units contributing, the amount contributed by each parochial unit and the names of parochial units not contributing to be confidential to –
  - (i) officers of the Diocese immediately responsible for receipt and documentation of the monies in question,
  - (ii) duly appointed auditors,
  - (iii) the Archbishop, and
  - (iv) such other persons as the Archbishop sees fit to inform at his discretion, and
- (h) the funds arising from Parochial support for the Diocese to be applied in accordance with a direction of the Standing Committee, such direction to be specifically reported to the Synod.

### **Schedule: Cost Recoveries Charge**

1. The cost recoveries charge payable by a parochial unit for a year is the sum of –
  - (a) the minister and assistant minister charge for that year, and
  - (b) the variable charge for that year,
 but if –
  - (c) the contributions, costs and charges for a minister or assistant minister are paid by another parochial unit or body, or do not apply to the minister or assistant minister, a pro rata rebate of the appropriate portion of the minister or assistant minister charge is granted for that part or parts of the year for which that minister or assistant minister is licensed, and
  - (d) if a minister or assistant minister is licensed to the parochial unit only for part or parts of the year, an appropriate portion of the minister and assistant minister charge is payable for such part or parts.
2. In this Schedule –
 

“assistant minister” means an assistant minister or a senior assistant minister within the meaning of the Assistant Ministers Ordinance 1990 licensed to the parochial unit.

“minister” means –

  - (a) the person licensed to the parochial unit as rector or curate-in-charge, and
  - (b) in the absence or incapacity of a person referred to in paragraph (a) or during any vacancy in office of the rector or curate-in-charge of the parochial unit, the person appointed under rule 9.7 in Schedule 1 or Schedule 2 of the Parish Administration Ordinance 2008 for the time being to exercise all or any of the functions of the rector or curate-in-charge.

“minister and assistant minister charge” means, for each minister and assistant minister licensed to the parochial unit, the sum of the following costs and charges –

  - (a) the costs of the contribution or contributions to a superannuation fund at the rate determined from time to time under the Sydney Diocesan Superannuation Fund Ordinance 1961, and
  - (b) the costs of the contribution required to the Sydney Long Service Leave Fund in order to enable that Fund to make the payment or payments required to be made under the Long Service Leave Canon 1992, and
  - (c) the costs of the contribution or contributions to fund the Sydney Diocesan Sickness and Accident Fund, and
  - (d) the costs of effecting stipend continuance insurance.

“variable charge” means –

  - (a) in 2010 – the determined percentage for that year of the net operating receipts of the parochial unit for 2008 under the Framework Ordinance, and

- (b) in 2011 – the determined percentage for that year of the net operating receipts of the parochial unit for 2009 under the Framework Ordinance, and
- (c) in 2012 – the determined percentage for that year of the net operating receipts of the parochial unit for 2010 under the Framework Ordinance.

“determined percentage” means the ratio, expressed as a percentage, determined by the Standing Committee in accordance with the following formula –

$$\frac{PC}{TR}$$

where –

PC is the total estimated amount of all parochial network costs payable in a particular year, and

TR is the total of the net operating receipts of all parochial units,

provided that –

- (a) in the case of a parochial unit with property, the determined percentage is adjusted upwards to the extent necessary to meet any shortfall in the recovery of the estimated amount of all parochial network costs associated with property payable in a year due to the reduction in the determined percentage for parochial units without property under paragraph (b), and
- (b) in the case of a parochial unit without property, the determined percentage is –
  - (i) for 2010 and 2011, 55% of the determined percentage calculated under paragraph (a), and
  - (ii) for 2012, 60% of the determined percentage calculated under paragraph (a).

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## Notes

1. On 5 December 2011, the Standing Committee, pursuant to clause 4(2) of the Ordinance, resolved that the amount to be applied in payment of the cost of membership of the Anglican Church of Australia in 2012 (through the payment of general assessments) is to be fixed at \$287,582.29.
2. At its meeting on 26 March 2012, the Standing Committee resolved, pursuant to clause 5(h) of the Ordinance, to direct that funds arising under clause 5(d) and (e) of the Ordinance for the ‘parochial support for the Diocese’ be added to the capital of the Diocesan Endowment.

## Table of Amendments

Title	Amended by Ordinance No 38, 2011.
Long Title	Amended by Ordinance No 38, 2011.
Recital A	Amended by Ordinance No 22, 2011.
Recital B	Amended by Ordinance No 22, 2011.
Recital C	Inserted by Ordinance No 38, 2011.
Clause 1	Amended by Ordinance No 38, 2011.
Clause 2	Amended by Ordinances Nos 22, 2011 and 38, 2011.
Clause 3	Amended by Ordinance No 22, 2011.
Clause 4	Amended by Ordinance No 38, 2011.
Clause 5	Inserted by Ordinance No 38, 2011.

Schedule Amended by Ordinances Nos 22, 2011 and 38, 2011.

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17 April 2012

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