

Diocese of Kootenay

	This Item	Replaces
File:	5.2.1	5.2.1
Date:	Sept. 2025	Nov.2013

Origin: Diocesan Council
Status: Policy
Distribution All Parishes, Congregations, Worshipping Communities
Subject: Diocesan Proportional Giving
"Kootenay Fair Share" (KFS)

September 2025 Policy Update Remarks:

The "Pass Through" donations item which occurred in the TCI and TOI have been removed in the calculation.

Definition of Terms:

1. Total Congregational Income - TCI

Use: For reporting to the National Church

Definition: All donated income to a Congregation, including:

- Donations of money and the value of donations of goods and services for capital and operating purposes.
- The value of expenses of the Congregation which have been paid by others on behalf of the Congregation.
- Interest income from capital and operating funds
- Proceeds from the sale of capital assets.

2. Total Operating Income - TOI

Use: For determining Defined Congregational Income (DCI - see following)

Definition: Total Congregational income (TCI) LESS the following deductions:

- Donations to capital funds
- Capital debt repayment, principal and interest
- Donations to special purpose funds, including funds for the purpose of generating interest income for operating purposes
- Reinvested interest income from invested capital funds.
- Invested funds which have come from the proceeds of the sale of capital assets.

3. Defined Congregational Income (DCI)

Use: For Kootenay Fair Share (KFS) determination

Definition: Total Operating Income (TOI) LESS

- Expenses incurred for income generation and fund raising. Includes Rental income (not to exceed total Rental Income)
- Any Kootenay Forward Fund grants
- Mortgage Principal/Interest paid from Operating Funds

- Clergy Moving Expenses – These are the moving expenses for new clergy moving into a Congregational ministry as per the policy:
 - a) 50% of NET clergy moving expenses (=Total receipted moving expenses less the Diocesan moving fund contribution) may be deductible over a three year period ie; 16.67% per year.
 - b) NET clergy moving expenses up to \$5,000 is deductible once for a clergy move.

4. Net Congregational Base (NCB)

Use: Final determination of the Kootenay Fair Share (KFS) for a specific Congregation

DERIVATION OF THE NET CONGREGATIONAL BASE (NCB)

For any specific Congregation:

1. A derived **Defined Congregational Income (DCI)** is determined based on the average of the three previous year's DCIs (eg; in 2014 it is the averages of the DCIs for 2010-2012, and so forth)
2. The derived **Defined Congregational Base (DCI)** is reduced by a Clergy Salary (cost) factor based on Increment Four of the Chaplain Grid line on the Diocesan Salary Grid for the current year. This Salary factor is considered 1.0 FTE and is corrected proportionately if clergy are remunerated on a part-time basis (see Policy 5.6.20). For Congregations with no paid clergy, the reduction factor is 5%.

The resulting figure is the **NET CONGREGATIONAL BASE (NCB)**

CALCULATING THE KOOTENAY FAIR SHARE REQUEST

For any specific Congregation;

$$\frac{\text{NET CONGREGATIONAL BASE (NCB)}}{\text{TOTAL NCBS ALL CONGREGATIONS}} \times 100\% = \text{Percentage Fair Share}$$

and,

$$\text{Percentage Fair Share} \times \text{Total Diocesan Core Expenses} = \text{Requested Fair Share}$$