

Combined Presbyteries Mission Pool (CPMP) Discussion Paper – June 2023

The Presbytery of the Downs

CPMP FAQ

WHAT IS IT FOR?

The Combined Presbyteries Mission Pool is the way in which Congregations in Queensland participate financially in the wider work and mission of the Uniting Church. Money allocated from Congregations funds the work of the seven Presbyteries in Qld and contributes to the work of the Synod and Assembly. In this way, the whole church participates in the life and mission of the whole church.

HOW DOES IT HAPPEN?

Each year, every Presbytery commits to raising a certain amount from its Congregations for CPMP. Based on this total income projection, the CPMP budget is set, allocating funds to the Synod and to each of the Presbyteries according to their needs, priorities, and resources. CPMP is overseen by the Presbytery Ministers together, working with Presbytery Treasurers and Synod Finance.

Each Presbytery is responsible for determining its contribution to the pool each financial year. Once a commitment has been made to the pool, it is the responsibility of that Presbytery to meet the commitment, even if congregations within that Presbytery are not able to sustain their commitment.

WHERE DOES IT GO?

62.5 % of CPMP pays for all the basic costs of running presbyteries across the state. 25% goes to funding Rural, Remote and Indigenous Ministries that could not otherwise be funded. 12.5 % goes to contributing to the work of the Synod.

WHAT DOES THE PRESBYTERY OF THE DOWNS (TDP) GIVE AND GET?

We have committed to contribute \$140,000 for the 23/24 financial year and we will receive \$191,586, which makes us **net CPMP receivers**.

The Downs Presbytery (TDP) CURRENT CPMP SITUATION

TDP has no existing policy guidelines for how we administrate CPMP.

We have inherited an historical set of commitments from each church. In recent years, the Presbytery Standing Committee (PSC) has suggested increases roughly in line with inflation and has sought feedback from congregations as to their capacity to meet these commitments.

The PSC has then entered Ad Hoc negotiations with churches around CPMP, without any overall guidance from the Presbytery as to how this should be done.

BACKGROUND

The PSC is seeking guidance from the Presbytery as to how we administer CPMP and believes that it is now important for the Presbytery to agree a policy. Some considerations:

- **Transparency:** Is it important for the churches in the Downs, and for the Presbytery to know what contributions each church is making, to be able to make good decisions about this?

- **Equity:** Should the basis of contribution for each congregation be based on the same criteria?
- **Financial pressure on Congregations:** Should we really be asking congregations to contribute to CPMP if that then puts pressure on reducing ministry in a congregation (e.g., Ministry Agent going from full time to 0.8)?
- **Financial pressure on the Presbytery:** The feedback that we are receiving from other presbyteries is that the level of support that the Downs currently receives may not be sustainable. The Synod have also informally indicated that we need to urgently seek ways to increase our revenue.

If congregations cannot contribute enough revenue, it may be that we cannot continue to fund a full time Presbytery Minister and/or Presbytery Administration. There is a sense that if we do not find revenue streams, 'something has to give', in the medium to long term. What possible ways forward are there? How do we operate without current levels of funding?

- **Methodology:** What income should be considered if using a percentage? What should the percentage be?
- **Allowances and exemptions:** What allowances and exemptions should be made as part of a policy?

FEEDBACK FROM CONGREGATIONS

Some of the congregations in our Presbytery gave feedback in response to our letter asking for thoughts on how to administer CPMP. A summary here:

- To be fair and equitable, we suggest that a congregation's contribution to the CPMP be based on an agreed percentage (by the full meeting of Presbytery) of the congregation's income after payments to employ a (one) Minister of the Word have been deducted.
- The annual audited Profit and Loss statement be used (for all churches in The Downs Presbytery) as a base document for formulations to provide a minimum of 10% of offerings and tithes to finance operations and directional intent of the Downs Presbytery. Those who are currently giving more, should be encourage to continue to support the Presbytery at that level.
- Contributions based on an agreed percentage (of what, your letter does not specify) is not feasible. This is because profit or other financial measures are highly volatile, easily manipulated and cannot be relied upon for Presbytery budgeting purposes.
- The Presbytery needs to urgently reduce its operational costs in line with declining attendances, offerings and financial positions of most Congregations within the Downs Presbytery.
- The suggestion you have made for the contribution to be a percentage based on the Profit and Loss appears to be a fair and equitable solution and one that is not subjective but able to be assessed with a known formula/percentage. Having said that, I also believe that there is value in having congregations willingly commit to a contribution amount rather than being told how much to give.

- We are not in favour of our P & L Statement becoming an item of discussion by the whole Presbytery. Presbytery reps/Ministers change over time and historic decisions are not remembered in context. E.g. funds that may have been earmarked for a special project in 2024 may appear as 'low hanging fruit' in 2023. Our method of Consensus is not conducive to detailed record keeping in this regard. Having said that, we are happy to provide our details to the Presbytery Treasurer so that she and Standing Committee can make a recommendation to us as to our specific commitment.

As can be seen there is a diversity of views in this feedback, and it is not possible to design a policy which reflects all these views, as some are contradictory.

Considering all this, the PSC has put together four options as to the way forward. These are by no means exhaustive and could be adapted or changed and are similar to options other presbyteries have been considering. They are a starting place for discussion, and there might be other options.

If adopted, the suggestion is a policy would apply from the 24/25 financial year going forward, with existing arrangements being honoured for the current budgeted year.

OPTION 1 – Make the current ad hoc arrangements policy

CPMP contributions to be suggested each year by PSC and negotiated with each congregation.

Increase suggested each year roughly in line with inflation.

Advantages

- Recognises historic commitments and arrangements.

Disadvantages

- Not a 'level playing field'.
- Little transparency.
- Gives a lot of discretionary power to PSC and Pastoral Relations Committee (PRC).
- Will be unlikely to meet future funding needs (Gradual shrinkage).
- PSC lacking guidance from Presbytery as to how to make ad hoc decisions.
- Potential conflicts of interest (E.g. 'I know how much other congregations are paying, but I can't let my own Church Council know that we could pay less').

OPTION 2 – Tiered Calculation

This option would introduce differing rates of contributions depending on the income source. This is the model that has already been introduced by South Moreton Presbytery. It encourages those congregations that have an active income stream from offerings and fundraising.

10 % contribution on income from offerings and fundraising activities.

30 % of rental income less property maintenance expenses.

CPMP to be calculated from most recent full set of data.

Advantages

- Provides transparency in how contributions are calculated.
- Provides a 'level playing field' in that the starting point is the same for everyone.

- Acknowledges that the property of a congregation is often a legacy of the past and shares that legacy with the wider church.
- Less scope for conflicts of interest for PSC and PRC members

Disadvantages

- Often declining congregations are more heavily reliant on passive income from properties, may place them into a more adverse situation.
- A sudden shift in level of commitment for some churches (some will pay more than they do now, and some will pay less).
- Likely to result in less CPMP income than the current ad hoc arrangements.

Option 3 – CPMP is applied as an overhead to the cost of a Ministry Agent.

This model moves away from calculating CPMP based on income and expenditure and instead attaches an overhead to the placement of ministers within each congregation.

The concept is that the total presbytery CPMP requirement (Currently \$140,000) is divided by the number of fulltime equivalent (FTE) congregational ministers (so a 1.0 would count as one FTE minister, and a 0.4 plus a 0.6 would count as one FTE minister) in the Presbytery and the overhead is applied pro rata with the minister's engagement.

A minimum contribution (equivalent to a 0.2 FTE pro rata) will also be set for those congregations that do not have a ministry agent.

This recognises that a congregation's Ministry Agent commitment is likely to mirror their capacity to contribute to CPMP, as well as the additional "value add" that congregations receive from the Presbytery other than the placement of a Ministry Agent.

Advantages

- A very standard business model used in labour hire/consulting organisations.
- Clear and simple.
- Credible to those in Business.
- Links the CPMP to the Minister's package – there is no longer conflict over "first call" on the congregational income being Minister vs CPMP.
- Provides transparency in how contributions are calculated.
- Provides a 'level playing field' in that the starting point is the same for everyone.

Disadvantages

- The visible cost of a Ministry Agent will rise.
- Establishes an unbreakable connection between the placement of a minister and the payment of a CPMP contribution, that may mean that some congregations are unable to place a minister.
- A sudden shift in level of commitment for some churches (some will pay more than they do now, and some will pay less).
- Likely to result in less CPMP income than the current ad hoc arrangements.

Option 4 – A Voluntary Pledge

Each church to make its own decision regarding a pledged amount for the coming year's CPMP, as to how much it can and would like to give.

As this will likely result in significantly less income, the Presbytery could make up any shortfall from our own resources and run at a loss for some time.

Advantages

- Clear and simple.
- Churches empowered to make their own decisions regarding finances, and the wider work of the church.
- Allows financial freedom to churches struggling financially and to those who have abundance.

Disadvantages

- Likely to result in significant shortfall of CPMP as many churches will chose to give less, and an urgent need to cut back on Presbytery expenses.
- Likely to result in Presbytery making year on year loss which will not be sustainable in the medium to long term.

Suggested Allowances (For all policy options apart from option 4 where these would not be necessary)

- Congregations that cannot meet these commitments without running a deficit for the upcoming year may approach PSC and negotiate a reasonable reduction, with the Presbytery delegating the power to negotiate with congregations to PSC.
- At the discretion of Church Councils, congregations can make a higher contribution than has been suggested, if that is realistic.
- Congregations whose Ministry Agent is in any of the following roles:

Chairperson of the Presbytery
Chairperson of the PRC
Secretary of the Presbytery
Treasurer of the Presbytery

Receive a 20% total reduction in CPMP each year (so a congregation paying \$20,000 would instead pay \$16,000)

Presbytery Standing Committee
June 2023