



# POLICY FOR THE AMALGAMATION OR DISSOLUTION OF CONGREGATIONS

The Presbyterian Church in Canada

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## **Part 1 – Introduction**

### **Amalgamation or Dissolution? What's the difference?**

In memorable and poetic fashion, Ecclesiastes 3 expresses the certainty that for everything there is a season: a time to be born and a time to die; a time to break down and a time to build up. This truth can be illustrated in the life of a congregation. We rejoice when a new congregation is born and the gospel of Christ Jesus is proclaimed and lived out by a new community of faith. Even though we are saddened when a congregation reaches the end of its lifespan, we are still able to celebrate what God has done across the years. Sometimes the congregation is dissolved and ceases to exist. In this case, its ministry lives on through the investment of its assets in other areas of the church. Other times, a congregation is reborn in a new and exciting way through amalgamation. In every season we give thanks for God's grace and faithfulness.

#### **Amalgamation**

When a presbytery amalgamates two or more congregations, they merge to form a new congregation. For simplicity, the rest of this document will be written as if an amalgamation is between two congregations. With the permission of the presbytery and following consultation with the Commission on Assets of Dissolved and Amalgamated Congregations (Commission on Assets), most of the proceeds from the sale of superfluous church buildings, contents or property and all archival records are transferred to the newly formed, amalgamated congregation. The amalgamating congregations and presbytery prepare an amalgamation plan outlining, among other things, how these proceeds will be used once any indebtedness is paid. Sharing of a portion of these assets with the wider church is strongly encouraged. (Book of Forms 200.11) In this way, a newly amalgamated congregation can not only be assisted financially in its ministry, but also contribute to the mission of the broader church. For further information regarding the amalgamation of congregations, turn to Part 2 of this policy.

#### **Dissolution**

When a presbytery dissolves a congregation, the congregation ceases to exist. The members and adherents are encouraged to transfer membership and allegiance to another community of faith. By law, at the point of dissolution, the ownership of the church, contents, manse, funds, archival records and all other property transfer to the Trustee Board of The Presbyterian Church in Canada (Trustee Board). In almost every case, the Trustee Board sells church buildings. The assets are consolidated and ensuing expenses are deducted from them. Currently, the formula for the distribution of asset proceeds is as follows:

- 40% to presbytery for approved mission initiatives within the presbytery and beyond.
- 10% to Indigenous Ministry Fund.
- 50% to Pension Plan Solvency Fund, up to a maximum of \$2 million.

This formula is altered periodically by the denomination.

See Part 3 of this policy for further information regarding the dissolution of congregations.

**Note:** Whether considering amalgamation or dissolution, it is hoped sessions, congregations and presbyteries will proceed in a prayerful and unhurried manner as they seek to discern the mind of Christ in these important decisions.

## **Assembly Council, Trustee Board and Commission on Assets of Dissolved and Amalgamated Congregations**

### **How are they related?**

These bodies function under the authority of the General Assembly and report to it.

**The Assembly Council** is responsible for ensuring the work of the denomination is carried out efficiently and effectively within the policies of the General Assembly between the gatherings of this court.

**The Trustee Board**, among other things, oversees the denomination's investments, handles legal matters and holds property for The Presbyterian Church in Canada as directed by the General Assembly and the Assembly Council. It is the denomination's corporate entity.

**The Commission on Assets of Dissolved and Amalgamated Congregations**, commonly referred to as the "Commission on Assets", relates to both bodies. Consisting of the Secretary of the Assembly Council, the Convener of the Trustee Board and the Chief Financial Officer of The Presbyterian Church in Canada, the commission works with the Trustee Board when handling the legal aspects of the dissolution of a congregation and with the Assembly Council when handling an amalgamation. In every case, the commission strives to make decisions that serve the ongoing ministry of our denomination.

### **Abbreviations and Terms**

#### **Archival Records**

Records of a congregation that have permanent value (i.e. long-term administrative, legal and/or historical value) and need to be kept. See Part 7 for a listing of these records.

#### **Archives**

The Presbyterian Church in Canada Archives

#### **CFO**

Chief Financial Officer

#### **CRA**

Canada Revenue Agency

#### **Commission on Assets**

Commission on Assets of Dissolved and Amalgamated Congregations

#### **T3010**

Charitable Return

#### **T4**

Statement of remuneration paid

#### **T4A**

Statement of pension, retirement, annuity, and other income paid

#### **Trustee Board**

The Trustee Board of The Presbyterian Church in Canada



## Part 2 – Amalgamation of Congregations

### Responsibilities – Presbytery

- Congregations contemplating amalgamation should report this to the presbytery early in the process and seek presbytery assistance.
- The presbytery should appoint a committee to explore options with the sessions and congregations to help discern the mind of Christ on this important matter. When congregations consider amalgamation, they ought to engage in prayerful conversations separately, with the other congregation involved, and with the presbytery committee. The committee ought to report regularly to the presbytery to keep the presbytery updated.
- If the congregations agree to proceed towards amalgamation, the sessions report to the presbytery and prepare an amalgamation plan. (See p. 4–6)
- The presbytery submits to the Commission on Assets of Dissolved and Amalgamated Congregations the portion of the amalgamation plan that shows how the assets will be used to further Christ's work in the local community and/or beyond it once any indebtedness has been paid. (See Book of Forms 200.11-200.11.3) The commission will examine the plan, confirm it and report this to the presbytery or the commission will return the plan to the presbytery with comments for further consideration. The presbytery will communicate with the Commission on Assets through the Chief Financial Officer. (See p. 20 for Chief Financial Officer contact information.)
- When the presbytery meets to consider the amalgamation plan, it will:
  - Cite the congregations to appear at a presbytery meeting, by chosen representatives, so they may speak to the amalgamation.
  - Adopt a recommendation that the amalgamation plan be approved. This will include the portion of the amalgamation plan submitted to the Commission on Assets.
  - Adopt a recommendation that the congregation of St. Andrew's Presbyterian Church, Town, Province, and the congregation of Knox Presbyterian Church, Town, Province, be amalgamated, effective day, month, year.
- If the presbytery does not approve the amalgamation plan, it may recommend amendments. These must be resubmitted to the Commission on Assets.
- If one or more of the church buildings will cease to be used, the presbytery may want to conduct a service to celebrate the blessings of God, the faithfulness of the people, and the history of the congregation in that building.
- The presbytery will work with the clerks of session to identify and gather together all archival records for transfer to the newly amalgamated congregation. The congregations may want to microfilm their records, through the Archives, prior to the amalgamation.

## **The Amalgamation Plan - information to be included**

### **General Information**

The Commission on Assets may be contacted at any time during the amalgamation process for assistance and to obtain sample amalgamation plans.

See Part 4 (Book of Forms 200.11.1) for further details regarding the sale of church property.

### **Pastoral Leadership**

If both congregations are vacant at the time of amalgamation, a regular call or presbytery appointment process would be followed.

If the congregations are part of the same pastoral charge and a minister is in place, that minister would normally serve the amalgamated congregation subject to presbytery approval of the amalgamation plan.

If the congregations are not part of the same pastoral charge and one of the congregations has a minister and the other is vacant, it is possible for that minister to become the minister of the amalgamated congregation. By way of a congregational meeting, the vacant congregation should indicate if it is prepared to receive the minister. Since this is a legal agreement between the presbytery, congregation and minister, it is members who shall vote regarding reception. Adherents are encouraged to concur with the decision. If the congregation is prepared to accept the minister, a guarantee of stipend is presented to the presbytery. (See Book of Forms 155 and Part 8 of this policy for a suggested template.)

If each of the amalgamating congregations has a minister in place, a decision must be made regarding whether the amalgamated congregation will be served by both ministers, one of the ministers or none of the ministers. Potentially, this could be a difficult and sensitive matter and must be dealt with carefully. The Policy for the Dissolution of Pastoral Ties will normally come into effect for ministers not chosen to serve the amalgamated congregation.

The plan will include a guarantee of stipend. (See p. 19 for template.)

### **Governance**

The sessions will normally amalgamate as one. None of the elders needs to resign.

### **Infrastructure**

The plan should describe how the Boards of Managers, other groups, committees, musicians, support staff and other leadership positions will merge or be dissolved.

### **Assets**

The amalgamation plan must set out how assets, such as superfluous property or funds not needed to retire debt or satisfy other obligations under the amalgamation, will be dealt with. Sharing of a portion of these assets with the wider church is strongly encouraged. (Book of Forms 200.11) The Commission on Assets has found that congregations and presbyteries often decide to recommend the transfer of 5% to 15% of the residual assets to ministries of The Presbyterian Church in Canada, including Presbyterians Sharing, that are meaningful to them.

### **Archival Records**

Ensure all archival records are gathered and identified for transfer to the newly amalgamated congregation. A list of these records should be created and included in the plan.

**Bequests**

If there are bequests involved, the advice of a lawyer may be required. The amalgamated congregation is responsible for fulfilling the original terms of any bequest.

**Sale of Property**

This process may begin at any stage with the approval of the presbytery. A real estate agent and lawyer should be engaged and all legal documents are to be signed by the trustees of the congregation whose building is being sold. All proceeds of the sale of any building or assets are to be held until the Commission on Assets confirms the asset distribution portion of the amalgamation plan. The disposal of chattels and fixtures will be a part of the process of selling the building. If there are items of historical significance and the items will not be used or displayed in the amalgamated congregation, the Presbyterian Church Heritage Centre might be considered as a recipient. For the centre's contact information see Part 9. (See Book of Forms 200.11.1.1)

**Community Organizations**

Community organizations using the facilities of the closing church should be given as much notice as possible regarding when they need to find an alternative venue.

**CRA Charitable Registration Number****General Information:**

The amalgamated congregation will use an existing charitable registration number from one of the congregations entering the amalgamation. Usually that will be the congregation that receives the assets from the other congregation. Any unneeded charitable registration number must be revoked.

A new number is not required, but if there is a change in the name of the congregation, it will need to be registered with the CRA. CRA does not require that an audit be done prior to an amalgamation, dissolution or name change.

CRA will require a letter from the National Office stating that the amalgamated congregation is in good standing.

**Steps:**

1. Determine which congregation will sell its property and transfer the assets to the other congregation. It may be that both congregations sell their properties to build a new facility.
2. Determine if there is to be a change of name for the amalgamated congregation.
  - a. If yes, apply to the CRA for a new name. The letter requesting the name change should state the reason (amalgamation) and include the name, address and charitable number of both congregations. See the Charities Directorate tab on the CRA web page for further direction.
  - b. If no, the charitable registration number of the congregation that receives the assets from the other congregation will continue to be used by the amalgamated congregation. If both congregations sell their property, choose which CRA charitable registration number to maintain.
3. The congregation that sells its property will transfer its assets to the amalgamated congregation, or another qualified donee, as identified in the amalgamation plan.
4. Both congregations complete a T3010 Registered Charitable Information Return. The congregation that transfers its assets will have a zero balance and mark the return as final.
5. After 120 days, the congregation that has transferred its assets will apply for a revocation of its charitable status.
6. Once CRA notifies the congregation that they have revoked the charitable status, it then files a T2046 form. (This will be sent by CRA).

**Commission on Assets of Dissolved and Amalgamated Congregations**

As noted on page 3, the presbytery will submit to the Commission on Assets of Dissolved and Amalgamated Congregations the portion of the amalgamation plan that shows how the assets will be used to further Christ's work in the local community and beyond. Capital grants that have been received are to be returned to those respective funds. (See Book of Forms 200.11-200.11.3)

The Commission on Assets will examine the plan, confirm it and report this to the presbytery or the commission will return the plan to the presbytery with comments for further reflection.

Communication with the Commission on Assets is through the Chief Financial Officer. (See p. 20 for contact information.)

**Implementation**

Once the amalgamation plan has been approved by the session, congregation, presbytery and the use of the assets by the Commission on Assets, it can be implemented.



## Part 3 - Dissolution of Congregations

### The Decision to Dissolve a Congregation

- Any congregation contemplating dissolution should report this possibility to the presbytery early on in the process and seek presbytery assistance.
- The presbytery should appoint a committee to help the session and congregation discern the mind of Christ on this important matter and notify the Trustee Board as soon as possible through the Chief Financial Officer about the potential dissolution. (See Part 9 for contact information.) The committee, session and congregation should explore options. The committee will then make recommendations to the presbytery at a duly called meeting.
- Before a presbytery's final decision regarding the dissolution, the presbytery must cite the affected congregation to appear before the presbytery by chosen representatives in order to provide an opportunity for them to speak to the dissolution recommendation.
- If the presbytery decides to dissolve the congregation, the recommendation might read like this:
  - That the congregation of St. Andrew's Presbyterian Church, Town, Province, be dissolved, effective day, month, year, with the final worship service to take place on [date and time].
  - A preamble to the recommendation may also, but not necessarily, address issues such as:
    - Arrangements for the dissolution of the pastoral tie with clergy including:
      - unused vacation
      - continuing education
      - transition allowance
      - pastoral care for minister and family
    - Termination allowances for other staff
    - Date for final worship service
- If the presbytery approves the recommendation, the presbytery's committee guides the congregation through the remaining dissolution process.
- The clerk of presbytery will notify the Commission on Assets about this decision through the Chief Financial Officer. (See Part 9 for contact information.)
- The presbytery prepares a mission plan for its portion of the proceeds realized from the dissolution. The presbytery may consult the members of the dissolving congregation regarding this plan.

## The Transition

Some people will scarcely be able to imagine a spiritual journey apart from their church home. They may grieve the dissolution of their congregation as a kind of death and experience the emotions that accompany such a loss. Pastoral care will be paramount while dealing with the steps that facilitate the closing of the congregation.

Once the dissolution date is set, the following measures will be taken.

- The property is transferred to the Trustee Board, which will take care of it, often with local assistance
- Often the Trustee Board will assume responsibility for the property prior to final approval of the mission plan. (See Property and Assets, p. 8-9.)
- Archival records are sent by the clerk of session to the Trustee Board who will forward them to the Archives.
- The plan for dismissal of staff and dissolving the pastoral tie is implemented.
- The mission plan for the distribution of eligible proceeds realized from the dissolution is sent by the presbytery to the Commission on Assets for affirmation. The plan may be submitted any time, even after the dissolution has taken place. (See Dissolution, p. 1, for how assets are distributed.)
- Property is sold or put to other use on the authority of the Trustee Board.
- Financial books are closed and final T3010B is filed by the congregation's treasurer or by the presbytery.

Further details about each of these items follow.

### A. Staff

#### Clergy

Follow the Policy for the Dissolution of Pastoral Ties where applicable. This policy is available online at [presbyterian.ca](http://presbyterian.ca).

#### Other Staff

Ensure that, at a minimum, you comply with Provincial Employments Standards regarding notice and severance and that plans are in place to issue T4s or T4As as needed, and Record of Employment forms to employees whose positions are terminated by the dissolution.

Consult Ministry and Church Vocations or the Clerks of the General Assembly for further assistance. (See Part 9 for contact information.)

### B. Property and Assets

By law, all property and assets vest with the Trustee Board at the moment of dissolution. The Trustee Board will receive the proceeds of the dissolution which usually involves the sale of the property. It is the responsibility of the presbytery to ensure that assets are protected from the moment discussion of dissolution takes place. Even before the official date of dissolution, the congregation shall not give away any funds without consulting the Commission on Assets.

From the date that the presbytery approves the dissolution, the property, including all assets and necessary expenses, becomes the sole responsibility and is under the supervision of the Trustee Board. The treasurer of the congregation will be allocated funds to conclude operations over a few months following the dissolution before sending the balance and accounting to the Trustee Board.

It is the practice of the Trustee Board to return eligible proceeds to the presbytery upon approval by the Commission on Assets of a satisfactory mission plan submitted by the presbytery. (See Dissolution, p. 1, for how assets are distributed.)

**C. Mission Plan**

A mission plan is prepared by the presbytery. It should comply with sections 200.9 and 200.11 in the Book of Forms. The overarching intention should be to further the mission of Christ as a legacy to the years of ministry of the dissolving congregation. The mission plan may support local, national and international mission.

Funds should not be designated for other denominations or non-church programs. There are several reasons for this. The Trustee Board has a fiduciary and legal responsibility to ensure that The Presbyterian Church in Canada assets are used for the benefit of The Presbyterian Church in Canada. These assets were accumulated through the donations of Presbyterians over the years whose intentions we need to assume were that their gifts be used for the work and ministry of The Presbyterian Church in Canada.

**D. Sale of Church Building and Manse**

If the properties are to be sold, the presbytery should recommend a realtor to the Trustee Board. Often an appraisal is required. The Trustee Board will ensure that this is carried out if necessary.

The presbytery should recommend a person who can be contracted to maintain the grounds and check on the property during the time it is for sale.

The property may be rented to other groups or denominations during the time that the property is on the market. The rental will be administered by the Trustee Board.

Sometimes a potential purchaser for all or part of the property (e.g. the manse) will declare themselves very early on in the process. The property can be sold at any point, even immediately after the motion to dissolve is made, but it must be carried out under the authority of the Trustee Board.

All proceeds are to be sent to the Trustee Board.

All congregational records are to be submitted to the Trustee Board that will forward them to The Presbyterian Church in Canada Archives. (See Parts 6 and 7)

**E. Other Chattels and Fixtures**

The presbytery is responsible for the disposal of chattels and fixtures. Immediately after the motion to dissolve is made, a list of all chattels and fixtures should be prepared and sent to the Trustee Board before the disposal of items begins. The items may be either sold or donated to other churches. All proceeds from the sale of the chattels and fixtures are to be sent to the Trustee Board.

A *chattel* is any item, large or small, that has a retail value. This would include items such as hymn books, communion sets, church school materials, musical instruments such as pianos and organs that are not a part of the building.

*Fixtures* are items that are attached to the building such as stained glass windows, chandeliers and light fixtures.

Stained glass windows are often the most valuable fixtures that belong to a church. They are considered works of art and also often have deep meaning to members of the congregation.

The windows may be given to other churches as long as the church agrees to replace the window in order to maintain the integrity of the building.

A question often arises if a window or any other chattel can be returned to the family that initially donated the window to the church. This needs to be decided on a case by case basis. However, if a tax receipt was given for the donation, it is considered a complete gift to the church and the family has no rights of ownership.

If there are objects of historical significance, and the objects will not be used or displayed in the amalgamated congregation, the Presbyterian Church Heritage Centre might be considered as a recipient. (See Part 9 for contact information.) The National War Museum in Ottawa is interested in memorial plaques of all conflicts.

**F. Caretaking**

The property will need to be cared for during the time that it is on the market. The grounds must be maintained and, for insurance purposes, someone must inspect the property three times a week. The name of a person who is willing to assume this job should be passed on to the Trustee Board who will then make a contractual agreement with the person.

**G. Locks Changed**

On the date of dissolution, the presbytery should ensure that the locks are changed and that an agreed upon number of keys are disbursed. For example, keys might be given to the caretaker, a presbytery representative and the realtor.

**H. Finances and Property**

Generally, the best people to handle the wrap-up of the church finances and property are those from the dissolving congregation who are familiar with the finances and property.

The books may remain open after the date of dissolution for a short period in order to pay outstanding debts and inform creditors and utility companies of the transfer of ownership to the Trustee Board of The Presbyterian Church in Canada.

Tasks include:

- Inform utilities of the date of closure. The Trustee Board will pay the utilities after the dissolution date.
- Ensure a list of chattels and fixtures is created and sent to the Trustee Board.
- Complete insurance questionnaire supplied by the Trustee Board.
- Oversee the disposal of chattels and fixtures and send proceeds to the Trustee Board.
- Close all bank accounts and send the remaining funds to the Trustee Board. All bank records are to be sent to the Trustee Board, along with the latest financial statements, before the congregation is closed and a final financial statement if possible.
- Inform the Trustee Board of any outstanding contracts, investments such as GIC's or issues with the property.
- Ensure that T4s and T4As are issued.
- File final T3010B with CRA.
- Complete and distribute Record of Employment forms as necessary.

**I. Archival Records**

Ensure that all archival records are gathered together and identified for transfer to the Trustee Board. A list of the records should be created. The Trustee Board will ensure the records are passed along to the Archives.

**J. Community Organizations**

Community organizations using the facilities of the closing church should be told, as soon as possible, when they need to vacate the building.

**Dissolution is finalized**

After a minimum of 120 days, and up to one year after dissolution, a Revocation of Charitable Status is filed by the finance department of The Presbyterian Church in Canada. This interval ensures there are no assets existing after the dissolution that might complicate the revocation.

After the Trustee Board has sold the building and has determined there are no outstanding expenses, and the Commission on Assets has approved a mission plan submitted by the presbytery, up to 40% of the net funds may be distributed to the presbytery by the Trustee Board. (See Dissolution, p. 1, for how assets are distributed.)

## Frequently Asked Questions

**1. May assets be sold at any time during the process, for example, before dissolution date?**

Yes, with the understanding that funds will be forwarded to the Trustee Board and with the knowledge of the CFO who will be consulted, kept apprised and copied on all documents.

**2. May a congregation that is to be dissolved donate its assets to others before it closes?**

Congregations will carry out their usual ministry leading up to dissolution. This includes regular maintenance of the property and support of the minister. If a recurring contribution is being made to a local mission, that may continue at the same level. Special or extraordinary donations should not be made but may be included in the mission plan that the presbytery will prepare.

For example, if the congregation has made quarterly \$500 donations to a local food bank, it is fine for that to continue until dissolution. However, a larger donation should only be made with the approval of presbytery and the Commission on Assets. This may be considered through the Mission Plan.

**3. May a congregation include donations to other groups in the mission plan for use of assets?**

In their mission plan, congregations sometimes ask that the assets, for which they have been responsible, be used in a specific way after dissolution. This is not always possible. There are considerations that need to be taken into consideration such as:

- Expenses related to maintaining and selling property after the dissolution takes place need to be paid out of the assets.
- The Trustee Board has a fiduciary responsibility to see that assets are used for the benefit of The Presbyterian Church in Canada. For example, a donation to a local hospital or museum or theatre group is not able to be approved, but a donation to a Presbyterian camp, another Presbyterian congregation, PWS&D or one of our seminaries may be considered as part of the plan
- Regulations set by the General Assembly for the use of assets upon dissolution. (See p. 1)

**4. Who is responsible for having the building appraised?**

The Trustee Board is responsible for this, although advice is appreciated regarding the choice of an appraiser and a possible realtor.

**5. May chattels and fixtures be returned to the person or family that originally donated the item?**

The general answer is no, especially if a tax receipt was given upon the donation of the item. The gift to The Presbyterian Church in Canada is considered to be complete.

**6. Who owns the money in any remaining bank accounts and the proceeds of sale of chattels and fixtures?**

All funds owned by the congregation belong to the Trustee Board once the motion to dissolve has been made and passed by the presbytery.

**7. May the manse be sold before the dissolution date?**

The manse and any other items may be sold at any point in the process. However, all proceeds must be transferred to the Trustee Board.

**8. When will the presbytery's portion of the assets be returned to the presbytery?**

After the Trustee Board has sold the building and has determined that there are no further expenses outstanding, and the Commission on Assets has approved a mission plan that was forwarded by the presbytery, the approved amount will be distributed to the presbytery. (See Dissolution, p. 1, for how assets are distributed.)



**9. May church records be archived locally?**

The standard policy is that the records of dissolved congregations be stored in the Presbyterian Church Archives. It is essential to contact Archives staff should you be considering an alternate repository for the deposit of your records. (See Parts 6 and 7 for further details.)

**10. To whom may the church be sold?**

Prior to any church buildings being listed for public sale, it should be determined if another Christian community can purchase and use them in furtherance of the gospel ministry. (See Book of Forms 200.11.1) If there is no interested Christian community, then other reasonable and appropriate offers may be considered.

**11. May the church be sold for less than fair market value? For example, may it be sold to a local community for a nominal price of \$1?**

No, churches are to be sold for fair market value.

**12. Who looks after the sale of the building, pays taxes, and maintains the buildings not being used?**

The Trustee Board, with the assistance of a local property caretaker, takes on these responsibilities.

## **Checklists for Presbytery and Congregational Representatives**

### **Presbytery Responsibilities**

- Consult with the CFO, General Assembly Clerks, Ministry and Church Vocations and Archives staff as necessary.
- Pass a recommendation to dissolve the congregation. The recommendation should include the date the dissolution takes effect and the date of final worship service.
- Draft the mission plan and send to Commission on Assets.
- Find realtor and give name to the Trustee Board.
- Change locks on buildings.
- Prepare a list of assets, chattels and fixtures.
- Find a person to act as property caretaker and pass name and contact information to the Trustee Board.
- Proceed to sell or donate the chattels and fixtures. Before selling pews or windows, consult with the Trustee Board.
- Send proceeds of these sales to the Trustee Board.
- Work with the clerk of session to identify and gather together the archival records and transfer them to the Trustee Board. The board will forward them to the Archives.
- Arrange for payment of transition allowance for clergy when applicable and ensure that a Record of Employment is issued at the end of the pay period. Although the congregation is responsible for these matters, sometimes the books are closed before the transition period ends or there are not enough funds. If this is the case, contact the Trustee Board for assistance.

### **Congregational Representatives - Responsibilities**

**(Treasurer, Clerk of Session, Property Caretaker, Elder, Board of Managers member)**

**It should be determined which person will perform the tasks below.**

- Inform creditors and utilities of the date of transfer of ownership to the Trustee Board.
- Finalize payment of stipend and allowances to clergy when applicable or inform the CFO's office how this will be carried out.
- Give termination notice to other congregational employees.
- Assist presbytery with preparing list of chattels and fixtures.
- Provide information to the CFO's office required to add the property to the national insurance policy.
- Clerk of session will work with the clerk of presbytery to identify and gather together the archival records and transfer them to the Trustee Board. (See Part 8 for more information.)
- Provide a report of all assets, bank accounts, investments, bequests. All bank records are to be sent to the Trustee Board along with the latest financial statements before the congregation is dissolved.
- Inform the Trustee Board of any outstanding contracts and investments such as GIC's.
- Close all bank accounts and send proceeds to the CFO's office.
- Inform the CFO's office of any outstanding contracts or issues regarding the property.
- File final T3010B.
- File T4's and T4A's in December.
- Complete and distribute Record of Employment forms as necessary.

## **Part 4 – Book of Forms Section 200.9 and 200.11**

**200.9** It belongs to the presbytery, subject to appeal to synod and General Assembly, to sanction the name of congregations, unite or disjoin congregations in pastoral charges, raise or reduce the status of charges as self-supporting or mission fields, and to dissolve congregations and to discontinue preaching stations. (See section 200.11 and Appendix B-6)

**200.11** In the matter of amalgamation of congregations, the presbytery, prior to final decision, in consultation with the Assembly Council and the congregation(s) involved, will prepare a plan regarding the utilization of all remaining assets, showing how they may be used to further Christ's work in the local community and/or beyond.

**200.11.1** Prior to any church buildings being listed for public sale as a result of an amalgamation of congregations it should be determined if another Christian community can use them in the furtherance of the gospel ministry.

**200.11.2** The first charge upon the proceeds of the sale of any properties shall be any indebtedness on the property itself, the second charge being any prior and other indebtedness incurred by the congregation whose assets are being sold.

**200.11.3** Any capital grants that a congregation whose assets are being sold has received from The Presbyterian Church in Canada, shall be returned to the capital funds for the continuing mission work of The Presbyterian Church in Canada.

## **Part 5 – Book of Forms - Appendix B-6**

### **From The Act to Incorporate The Trustee Board of The Presbyterian Church in Canada (1939), section 13, re Property of Congregations Ceasing to Exist**

All lands and premises and personal property and assets which have been, or shall hereafter at any time, be held by any trustee or trustees for any congregation of The Presbyterian Church in Canada which shall have ceased to exist shall vest in the Board upon trust to sell, get in and realize the same and to pay the proceeds to the treasurer of The Presbyterian Church in Canada for such trusts, institutions, organizations, schemes of funds thereof as may be determined from time to time by the General Assembly of the said church.

## Part 6 – How to Handle Archival Records

Whether a congregation is being amalgamated or dissolved, the policy of The Presbyterian Church in Canada is that the archival records in all formats are to remain the property of The Presbyterian Church in Canada in perpetuity. Therefore they should be excluded from the disposal of church chattels and fixtures. This is to ensure that the history and legal records of a dissolved or amalgamated congregation, by way of documentation, is preserved and available for future access.

The authority for this policy comes through the Book of Forms in Appendix G (Archives and Records Management). The wording in the Book of Forms is as follows:

### **G–3 Ownership of Records**

1. Records generated by all courts of The Presbyterian Church in Canada remain the property in perpetuity of the said courts, or their legal successors. Records are not the property of individual church officials.

When a congregation is dissolved, the standard policy is for the archival records to be transferred to the Trustee Board, who will then deposit them in The Presbyterian Church in Canada Archives. When congregations are being amalgamated, the archival records of each of the amalgamating congregations are to be gathered and maintained by the newly amalgamated congregation.

### **What are the archival records?**

Archival records are defined as those records of a congregation that have permanent value, i.e. long-term administrative, legal and/or historical value, and need to be kept. (See Part 7 for a full listing)

### **Who is responsible for gathering the archival records in a dissolving or amalgamating congregation?**

The clerk of each court (session, presbytery, synod and General Assembly) is responsible for the records of their respective court and for their safe-keeping (Book of Forms, section 20). Whether a congregation is amalgamating or being dissolved, it should be the clerk of session and the clerk of presbytery together that ensure the archival records are gathered, identified, listed and transferred to either the new congregation (in the case of an amalgamation) or to the Trustee Board (in the case of a dissolution).

### **What if there are gaps?**

It is extremely important that the archival records be as complete as possible. If there are gaps in the records such as a missing session minute book or a missing baptismal register, please try to ensure these are found.

### **Preparing Records for Shipping**

1. Use new, clean boxes.
2. Create an inventory list of the records within each packing box. Include the type of record (marriage register, baptismal register, session minutes, etc.) and the relevant dates for each book and file folder.
3. Fully label all photos and audio visual materials.
4. Secure each box well with packing tape.
5. Ensure that your delivery label is complete.
6. Ship the records to the Trustee Board of The Presbyterian Church in Canada in care of the Chief Financial Officer by way of bonded courier, such as Purolator or Canpar, so the records can be tracked throughout their passage right up until their receipt at the national office; or
7. The records may also be delivered in person. If so, they can be brought to the Archives (50 Wynford Dr., Toronto) and the relevant staff from the Trustee Board will be notified.

**Artefacts**

There may be artefacts of historical significance that could be housed in the Presbyterian Church Heritage Centre. Contact the centre to see if the items are suitable for the collection. (See Part 9 for contact information.)

**Mould**

When records of dissolved congregations come to the Archives for permanent storage, Archives staff will examine them for evidence of mould. If mould is found in the records, they will be sent to professional conservators for treatment prior to final deposit in the Archives. This cost is borne by presbytery. A presbytery may opt to pay the invoice for the treatment or it may ask the Trustee Board to pay the bill from the funds created from the fund set up for the dissolved congregation. In the latter case, the cost of the conservancy treatment will be deducted from final distribution of assets.

The presence of mould can be difficult to assess. A mildly bad odour may not necessarily indicate the presence of mould. Mould may show itself physically (green, blue, black markings, or white spores) or may present itself in an odorous form. Mould is a health hazard to humans and records and, as a result, the Church has adopted a “no mould” policy for the Archives for the sake of the staff, researchers and the other records in the Archives. If you suspect the records are mouldy, this must not stop you from sending the records to the Archives. You will be informed if mould is discovered.

If you have any questions about how the archival records of a dissolved or amalgamating congregation should be managed, please don’t hesitate to contact the Archives. (See Part 9 for contact information.)

Note: See also Book of Forms Appendix G, Archives and Records Management.

## Part 7 – List of Archival Records

The following is a list of congregational records that have permanent value and should be transferred to the Archives when a congregation is dissolved. It is designed as a helpful guide. Not all the records listed will have been kept by every congregation, while some documents not in the list may have archival value. Every congregation is different and the types of records they have kept will reflect that uniqueness.

**Contact Archives staff before you begin gathering records so they can help with the process.**

Type of Record
Session Minutes
Church Registers – Baptism, Marriage and Burial
Professing Members Roll/Communion Rolls & Registers
Annual Reports
Congregational Meeting Minutes
Board of Managers Meeting Minutes
Trustees Minutes
Legal Documents - Deeds and other property documents, including cemetery records
Insurance Policies (Liability)
Architectural Plans
General Ledgers (Revenue & Expense Ledgers)
Congregational History Books/Booklets (one copy)
Permanent Personnel Files <ul style="list-style-type: none"> <li>• Covenant of Care/Leading with Care agreements</li> <li>• “Leading with Care” incident documents</li> <li>• Police Record Check log</li> </ul>
Recent Financial & Personnel Records <ul style="list-style-type: none"> <li>• Financial statements (if not already printed in annual reports)</li> <li>• Bank reconciliations, bank statements, cancelled cheques, etc.</li> <li>• Invoices, utilities, and other bills</li> <li>• Receipt remittances</li> <li>• Church offering envelopes</li> <li>• Estate/Bequest files</li> <li>• Tax related documents</li> <li>• Employee records – name, address, start date, resume, etc.</li> <li>• Payroll records, vacation pay/entitlements, attendance sheets, performance reviews, etc.</li> <li>• Leave documents (maternity, parental, etc.)</li> </ul> <p><b>Only transfer records less than 8 years old; any that are 8 years and older should be shredded.</b></p>
Selected items of historical significance relating to the congregation such as photographs, scrapbooks, news clippings, special orders of service, videos/DVDs, etc. may also have archival value and should ideally be transferred to the Archives as well. <b>Please contact the Archives for further information.</b>

Note: Before a church is dissolved, it is encouraged that photographs of the exterior and interior be taken including photographs of any memorial plaques, honour rolls, special stained-glass windows, etc. These, too, can then be sent to the Archives.



## Part 8 – Pastoral Leadership Confirmation Form – template

(See Pastoral Leadership, p. 4)

This is to certify that on the {date} day of {month} in the year {year} at {time}, the congregation of {name of congregation} met to consider the pastoral leadership for the proposed amalgamation with the congregation of {name of other congregation(s)}. The following is a statement of acceptance and support.

### Present:

Presiding minister {name}                      Recording secretary {name}  
{number} members                      {number} adherents concurring with the decision

### Discernment:

We, the professing members and adherents of {name of congregation}, being well satisfied with (her/his) faithfulness to the Gospel and (her/his) qualifications for the ministry of Word and Sacraments and confident that the Holy Spirit has led us to you through this amalgamation with {name of other congregation(s)}, earnestly and solemnly affirm our desire to have you {name of minister} to be the minister of the amalgamated congregation. We promise you all due respect, encouragement, and allegiance in the Lord as, together, we seek to use our gifts in the church and in the world to the glory of God.

We promise and obligate ourselves, upon entering the amalgamation, to provide, as first charge therein, the stipend and allowances for our minister in accordance with the amalgamation plan.

Annual Stipend	
Option A (inclusive of travel allowance)	\$_____
or	
Option B (exclusive of travel allowance)	\$_____
with travel reimbursed at \$____/km up to annual maximum of	\$_____
Manse (or Housing/Rental allowance)	
or	
Housing/Rental Allowance	\$_____
Total	\$_____
Cost of utilities	

We agree to make payments of the above amounts on the first day of each month [if the minister and the session agree on an alternative payment schedule, amend this statement accordingly,] and agree to adjust the stipend and allowances annually in view of any changes in the cost of living or the needs of our minister.

We agree further:

1. To provide two weeks for continuing education annually and at least the minimum allowance as set by the General Assembly.
2. That the benefits of number 1 above shall be cumulative up to five years.
3. To provide five weeks vacation annually, which shall be used in the year they are given.
4. To pay supply during the periods of continuing education and holidays.
5. In case of disability or extended illness, to continue to provide stipend, accommodation and allowances for a period not less than that set by the General Assembly, and to pay the cost of pulpit supply.
6. To pay for Medical and Dental Insurance as provided through the Pension and Benefits Board of the General Assembly and to make contributions to the Pension Plan in compliance with the terms of the plan.
7. To pay necessary moving expenses.
8. Optional (such as book allowance, entertainment allowance, internet, cell phone, etc).

{Place and date}

[Signature], Presiding Minister

[Signature], Meeting Secretary

## **Part 9 – Contact Information**

### **Archives**

Ms. Kim Arnold  
Archivist/Records Administrator  
50 Wynford Dr. Toronto, ON M3C 1J7  
416 441-1111 1-800-619-7301Ext. 310  
karnold@presbyterian.ca

Mr. Bob Anger  
Assistant Archivist  
50 Wynford Dr. Toronto, ON M3C 1J7  
416 441-1111 1-800-619-7301Ext. 266  
banger@presbyterian.ca

### **General Assembly Office**

The Rev. Stephen Kendall  
Principal Clerk  
50 Wynford Dr. Toronto, ON M3C 1J7  
416-441-1111 1-800-619-7301Ext. 227  
skendall@presbyterian.ca

The Rev. Don Muir  
Deputy Clerk  
50 Wynford Dr. Toronto, ON M3C 1J7  
416-441-1111 1-800-619-7301Ext. 223  
dmuir@presbyterian.ca

### **Ministry and Church Vocations**

The Rev. Tim Purvis  
Associate Secretary  
50 Wynford Dr. Toronto, ON M3C 1J7  
416-441-1111 1-800-619-7301Ext. 264  
tpurvis@presbyterian.ca

### **Support Services**

Mr. Oliver Ng  
Chief Financial Officer  
50 Wynford Dr. Toronto, ON M3C 1J7  
416-441-1111 1-800-619-7301Ext. 316  
ong@presbyterian.ca

Ms. Jackie Czegledi  
Senior Administrator  
50 Wynford Dr. Toronto, ON M3C 1J7  
416-441-1111 1-800-619-7301Ext. 320  
jaczegledi@presbyterian.ca

### **Presbyterian Church Heritage Centre**

416-469-1345  
presbyterianmuseum.ca  
pcheritagecentre@gmail.com