

ANGLICAN JOURNAL BOARD

Report to General Synod

2010

Membership: Sam Carriere, Tim Christison, Tom Corston, Peter Davidson, Rob Dickson, George Elliott (President), John Fletcher, Margaret Jenniex, Alison Knight, Dion Lewis (Vice-President), Catherine Pate (Secretary), Rob Towler (Past President), Ana Watts. Michèle George (Treasurer) ex-officio

This current Board was elected by the Council of General Synod at its meeting in spring 2008. We have had three face to face meetings: October 24, 2008, October 4 & 5, 2009 (an overlapping meeting with the Communications and Information Resource Committee), and March 1, 2010. We had one regular conference call meeting on April 29, 2009 and three special conference call meetings on June 2, 2008, October 19, 2009, and November 20, 2009.

The new Board met for the first time on October 24, 2008. Staff provided an orientation to their work and the issues before the board. Elections were held for the new officers. Along with supporting the work of the Journal staff, it became clear that three major issues lay ahead for us. These were our governance, the implications of reduced funding from General Synod, and relationship between print media and the emerging electronic media.

Let me begin with the ongoing work of the Journal staff. At all of our regular meetings we received reports from staff: Keith Knight, acting editor and Kristin Jenkins, editor; Bev Murphy, circulation; Saskia Rowley, design and layout; Larry Gee, business manager; Josie DeLucia, editorial assistant; Brian Bukowski, web manager; and Sam Carriere, Director of Communications. I need to say that at every meeting there has been a vote of thanks offered to the staff. In the midst of very difficult times, they carry on their excellent work in a thorough and professional manner.

At our first meeting, Keith Knight was the interim editor, following the resignation of Leanne Larmondin. Due to the uncertainty of our funding from General Synod, Keith's term was extended at our fall 2008 meeting. However, at our spring 2009 meeting the decision was made to move ahead with interviews for a new editor and Kristin Jenkins was hired as editor in June 2009. She has worked hard, along with her team of writers and graphic designer, to reshape the paper. In spring 2009 financial restraints forced the paper to move from 16 to 12 pages. Despite this limitation, we are hearing nothing but positive feedback about the Journal's content and changing look. Thanks to lots of work on the part of Saskia Rowley, the April 2010 edition launched the "new look" Journal. We are very proud of Kristin and Saskia, along with staff writers Marites (Tess) Sison and Leigh Anne Williams, and Josie DeLucia, who assists with editing.

Bev Murphy oversees circulation; this work also includes dealing with Heritage Canada, which provides a postal subsidy that makes it possible for the Journal and all the diocesan papers to be distributed at a bulk rate. I will say more about this subsidy later. It is no small task to maintain the data base of our over 160,000 subscribers.

Larry Gee, our business manager, keeps us apprised of our financial position and the financials for the Anglican Journal Appeal, advertising, and the Church Calendar. At the end of the last trimester, the Journal advertising was brought in-house. This resulted initially in significantly higher revenues. When the Journal was cut back to 12 pages however, advertising revenue was adversely affected. The Board fully supported the decision to end our joint production of the calendar with the United Church for 2010. An "all Anglican" calendar was produced and met with positive feedback. However, revenues were down, primarily due to the Diocese of Nova Scotia and Prince Edward Island producing their own 2010 calendar as part of their 300th anniversary celebrations. Unfortunately there was no consultation with us about this decision. The Anglican Journal Appeal continues to bring significant revenues to the Journal and we thank the many readers who generously support the appeal each year. I will address our financial concerns later.

The Journal website is managed by Brian Bukowski as part of his IT portfolio for the National Office. His reports include statistics on usage, the work he does in maintaining and updating the website, and an overview of our strategy for electronic media.

Sam Carriere, the Director of Communications, provides in his report a big picture view of the Journal's work in the context of all that unfolds in the Communications department and in the National Office. As a director, Sam plays an integral role in the internal budgeting process for General Synod. It is Sam's responsibility to provide oversight for the Journal editor.

Let me turn now to the three significant issues with which we have wrestled, starting with governance. It became very clear at our first meeting in fall 2008 that attention would need to be given to what it meant to be a governance board acting on behalf of a nationally incorporated body. We were concerned that we had not received proper financial statements, including a balance sheet. We also raised concerns that the Journal books had not undergone an independent audit, but rather were audited as part of the overall General Synod audit. After reviewing our bylaws, they seemed very cumbersome. We made the decision at this first meeting to strike a task force to bring back their recommendations for changes. They are still at work and plan to bring recommendations to our fall 2010 meeting.

The Anglican Journal Board acts on behalf of the member. The member, as defined in our bylaws, is the Council of General Synod. In fact, as President I am required to meet with the member annually for the approval and acceptance of the financial statements. This had not been happening. I did meet with COGS in fall 2009 to discuss concerns and I will be meeting

with them in fall 2010 to deal with our financial statements and audit. The Board has made the decision that our 2009 financials will undergo an independent audit. As you will appreciate, when we deal with the Heritage Canada issues, it is absolutely critical that we as a Board are carrying on in a proper and legal manner as laid out in the Canada Corporations Act.

The second issue of finances lies at the very heart of the Journal's future. Along with every other ministry receiving support from the General Synod budget, the Journal is dealing with the implications of the decision by General Synod to eliminate its deficit spending by 2011. All through fall 2009 we struggled with the impact of these reductions on our 2010 budget. It is complicated by the Heritage Canada subsidy. Let me explain.

In order for us to receive the subsidy, which is over \$500,000 annually, the Journal needs to show Heritage Canada that we are receiving subscriptions that amount to a minimum of \$10/subscriber. We do not charge our readers a direct subscription rate. Instead, using a complicated formula, our rate is calculated from revenues received both from General Synod and from the diocesan papers that are distributed with the Journal each month. At our fall 2009 meeting we realized that, with the proposed cut in funding from General Synod, we were now below that \$10/subscriber minimum. The shortfall was over \$118,000. Losing the subsidy from Heritage Canada, along with cuts from General Synod, would make it impossible for the Journal to continue to publish and be distributed. This would also end the distribution of all the diocesan papers. You can well imagine the seriousness of this dilemma.

The Board held two additional conference call meetings that fall. I spoke to the Canadian House of Bishops and to COGS about these concerns. In the end, with approval from the Financial Management and Develop Committee, COGS agreed to a special grant for 2010 to allow the Journal to maintain its Heritage Canada subsidy. However, the Board is fully aware that this is a one-time grant and that the task ahead for us in 2010 is daunting.

Heritage Canada has undergone some major changes in their program. Starting in 2011 all those receiving subsidies will be required to undergo a subscription audit. Bev Murphy and Larry Gee are already working on this diligently in order to ensure we are ready and eligible for the subsidy.

To make matters worse, at our spring 2010 meeting we reviewed our 2009 financials, which showed a \$65,000 deficit. The entire morning of the meeting was taken up with this issue. We were hurt by the loss in calendar and advertising revenues, along with significant increases in shared costs with General Synod. We reviewed our 2010 budget and made the necessary adjustments to balance it, taking into account the carry-over deficit. Knowing that further cuts in the General Synod budget loom for 2011, our full attention is now turned to developing a strategy for the Journal's future. We did decide that I would appeal to the diocesan bishops and their editors for additional support in 2010.

The Board has struck a task force to develop a strategy to ensure the long-term viability of the Journal and its funding. We have already had consultation with Holland Hendrix and the Department of Philanthropy. We hope that the final Vision 2019 document will include the Journal as a priority in General Synod's communication strategy. All options are being considered, including moving to be a direct subscription paper or moving to a quarterly magazine format. What we don't want to see is the demise of the Journal as a newspaper by the end of 2010. We believe the leadership of our church holds the same opinion.

This brings me to the final issue, the balance between print media and electronic communications. Our research indicates that over 80% of the Journal subscribers, and therefore the readers of diocesan newspapers, do not access electronic media like the Internet. That is quite a remarkable and startling statistic. On the other hand, for those in our society who are under thirty, electronic media are the only sources for them for information and news. This means that the Board needs a strategy that will continue the balance between print and electronic media.

With increasing growth in fresh expressions and the desire in many dioceses and churches to be missional, the challenge is how do we connect to the secular world around us? These are folks who will never walk into a church or read the Journal, no matter how wonderful it is. Where is our communication strategy to reach this ever-increasing group of people in Canadian society? The Board hopes it can help play a role, along with the Communication and Information Resources Committee, in answering these questions.

I will bring my report to an end with a word of thanks. First, let me once again thank our staff. I also want to thank the members of the Board for their dedication and commitment to our work together. It has not been an easy two years. The challenges before us are daunting. However, we are people of faith. Together, with God's help, we will meet those challenges face on and forge a way forward into God's future. It is an honour and privilege to serve as the President of the Anglican Journal Board. Thank you for your prayerful support.

George Elliott,
President