

DIOCESE OF NIAGARA

2011 PROPOSED BUDGET NOTES

The Financial Advisory Committee and the Finance Budget subcommittee have spent considerable time this year understanding our current financial situation, reviewing in detail diocesan cash flow, previous years' statements, and monthly receipt and expenditure year to date data. Much thought has gone into the preparation of this budget. This budget has been informed by the vision, received input from the petal leaders, and reviewed and approved by the majority of FAC and Finance Budget members. It represents forward thinking and the direction that we believe we need to be moving so that we can be the church that God is calling us to be in this place.

RECEIPTS

In recent years, we have heard repeatedly that the D M&M rate is too high and needs to be reduced. We have listened and responded in this proposed budget. The D M&M rate has been reduced from 32.827% of assessable income to 30.00% of assessable income, a reduction of approximately 9%.

We have also heard repeatedly that the diocese does not collect all of the D M&M and payroll that it bills during a calendar year. In the past, we have budgeted as if we did receive everything that was billed. This budget sets up an allowance for deferred D M&M and payroll so that we do not continue to spend more than we can realistically expect to receive in a given year.

EXPENDITURES

The diocesan vision has helped to inform the direction of the budget. Dollars have been allocated to a new full-time position of Congregational and Justice Coordinator whose primary role will be to bring the vision to life in our parishes. In addition \$6,000 has been allocated to specific vision related expenditures suggested and supported by the vision petal leaders.

Work is already underway to determine the role of the diocese and the role of local parishes in many areas including outreach. Currently there is much outreach that goes on at the local level. In order to respond to parishes' requests to reduce D M&M, and to provide funding for vision related initiatives, a decision has been made to eliminate most diocesan funding of outreach projects from the diocesan budget. This is not a reflection of the importance of these initiatives and the diocese continues to believe that these outreach initiatives are vital. Parishes and individuals are being challenged to find new ways to fund and support outreach initiatives no longer supported by the diocese. Funding for university chaplaincies will continue till April 2011 to provide support for the academic year currently underway.

This budget continues to be a transitional budget directed by the vision to get us where we need to be going forward. It is challenging and it is not perfect but it meets the challenge that the Bishop set at our spring meeting of Synod "to be the church that God is calling us to be".

Mr. David Eccles, Chair
Finance/Budget Sub-committee