

The Anglican Diocese of Niagara



TOWARD A VISION DRIVEN BUDGET Meeting the Challenge of Change

NARRATIVE BUDGET 2011

OUR MISSION:

To follow Christ passionately, pursue excellence, practice justice, and grow.

A NARRATIVE BUDGET FOR 2011

This narrative budget tells the story behind the numbers. It shows how the Diocese of Niagara will receive and invest resources for the next year and how your support will advance our mission and vision.

The budget is:

- Strategic and directed toward our Vision
- Focused on major Diocesan ministries and priorities
- Flexible enough to enable the Bishop and Synod Council to adjust to the dynamic nature of the Diocese

The budget is geared toward:

- Bringing the vision to life
- Leadership development
- Mission, evangelism, and ministry
- Life changing worship
- Social justice enabling and doing
- Innovation and effective resource management
- A generous culture of stewardship

THE BUDGET PROCESS

This document was created with the challenges and debate of Synod 2009 very much in mind. The financial management team has listened, and has worked diligently to the Bishop's challenge to get the financial situation in order. Much effort has been invested in many information gathering visits to parishes by Bishop Bird, and decisions about how to best equip ourselves for ministry

Teams representing each of the petals of the Diocesan Vision are working with parishes, developing internet and parish based resources and bringing life to the Vision across the diocese.

Needs, priorities, costs, and timelines have been reviewed by Synod Council, the Financial Advisory Committee, and the Budget Committee. The result is a shift away from the status quo. The refocused budget encourages priority funding, cooperation, and continuous improvement in building the Diocesan Vision.

We have taken as a given that the amount of DM&M that parishes contribute needs to be decreased. This has been a message we have heard from several quarters of the Diocese and we have tried to honour that plea.

OUR VISION



The vision:

- Defines and celebrates our values
- Invites participation
- Describes a team-based quality experience
- Integrates our behaviour
- Measures our success

LIVING OUR VISION

"It is about building and maintaining a fire that shines a light out into the darkness and confusion of our world and invites people to join us on our Christian journey. It is a fire that sparks a new sense of passion that generates inventive and inspired new ideas to engage with the people of a new generation, calling them back into community with each other and offering hope and healing to so many in need."

"I give thanks to God for the ways that the Epiphany light burns brightly in our parishes and in the ministries that we share in together as we respond to God's mission for our church, our lives and the lives of the people we are called to serve."

Bishop Michael Bird

BUDGETED DIOCESAN REVENUE FOR 2011

"The question is not how to get money. Rather the question is about our relationship with money." Henri J.M. Nouwen

The Diocese anticipates the following revenue for 2011: (comparative data is shown for 2009 and 2010):

	Actual Dec. 31, 2009	Approved Budget 2010	Proposed Budget 2011
RECEIPTS			
Diocesan Mission & Ministries	\$ 3,095,803	\$ 3,122,000	\$ 2,855,000
Less:			
Dioc. Mission & Ministries Grants	-\$ 51,664	-\$ 140,000	\$ -
Allowance for Deferred DMM	\$ -	\$ -	-\$ 75,000
Allowance for Deferred Payroll	\$ -	\$ -	-\$ 50,000
Interest on Trust Funds	\$ 10,091	\$ 10,000	\$ 15,000
Sundry	\$ 141,071	\$ 19,000	\$ 30,000
TOTAL RECEIPTS	\$ 3,195,301	\$ 3,011,000	\$ 2,775,000

- Nearly all of 2011 revenue comes from Diocesan Mission and Ministry (DMM). The DMM rate has been reduced to 30% of assessable parish income which accounts for the drop in anticipated revenue.
- DMM funds programs, staff and administration that benefit the parishes and clergy of Niagara and people in need.
- Not all parish receivables are collected in the current fiscal year; thus, allowances for uncollected DMM and payroll have been added. This provides a more realistic picture of expected revenue and discourages overspending.

"How we think about money is a major factor in determining our potential for spiritual growth." Canon Harold Percy

BUDGETED DIOCESAN EXPENDITURES FOR 2011

The Diocese anticipates total expenditures in 2011 of \$2,774,936 (comparative data is shown for 2009 and 2010).

	Actual	Approved Budget	Proposed Budget	%
	2009	2010	2011	2011
<u>TOTAL EXPENDITURES</u>	\$ 3,241,590	\$ 3,010,696	\$ 2,774,936	100.0%

SUMMARY

	Actual	Approved Budget	Proposed Budget	%
EXPENDITURES	2009	2010	2011	2011
Episcopal Office	\$ 424,271	\$442,490	\$434,356	15.7%
Parish Ministry Support	\$ 461,829	\$584,625	\$566,982	20.4%
Clergy Development & Support	\$ 60,584	\$71,750	\$45,500	1.6%
Administrative Support	\$ 1,364,340	\$1,080,760	\$1,014,760	36.6%
Initiatives Beyond our Parishes	\$ 214,777	\$177,851	\$79,938	2.9%
Ministry Beyond Niagara	\$ 715,789	\$653,220	\$633,400	22.8%
<u>TOTAL EXPENDITURES</u>	\$ 3,241,590	\$3,010,696	\$2,774,936	100.0%

The more we touch the intimate love of God which creates, sustains, and guides us, the more we recognize the multitude of fruits that come forth from that love. Henri J.M. Nouwen

EXPENDITURE DETAILS:

EPISCOPAL OFFICE

We are synodically governed and episcopally led. The Bishop's Office provides support and education to parishes, clergy, and divinity students, personnel management, administration, Synod Council support, preparation for Synod, regional and archdeacon meetings, ordinations and Order of Niagara services, and a variety of other ministries, such as The Bishop's Company, the Lambeth Conference, and liaison with the wider church. Support for our leadership is vital in reaching the Vision goals for ministry and mission in every parish.

	Actual	Budget	Budget	% of
	2009	2010	2011	Budget
Staff and Benefits	\$ 383,525	\$ 387,846	\$ 385,713	14.0%
Office Expenses	\$ 39,957	\$ 45,000	\$ 40,000	1.4%
Lambeth	\$ 789	\$ 9,644	\$ 8,643	0.3%
Total	\$ 424,271	\$ 442,490	\$ 434,356	15.7%

PARISH MINISTRY SUPPORT

Diocesan Resource Centre staff provides support and encouragement, leadership and guidance, and practical services which help enable parishes to follow the mission: to passionately follow Christ, to pursue excellence, practice justice, and grow. These ministries include support and services to parishes that include Leadership in Ministry and Justice, Outreach, Safe Church, Fresh Start, Stewardship and Planned Giving, Niagara Youth Conference, Spirit Quest, Youth Leadership Training Program, Youth Synod, Regional Youth Ministry, and Imagine Music and Word Conference.

PROGRAM DEPARTMENT

	Actual	Approved Budget	Proposed Budget	%
	2009	2010	2011	2011
Consultants, Staff, Benefits	\$ 172,517	\$ 173,460	\$ 130,732	4.7%

NEW POSITION

The Diocese of Niagara is committed to pursuing excellence in ministry as well as being a leader in advocacy and justice for all; a faith community that practices what it preaches and thus, with God, transforming lives. As a member of the Executive staff of the Diocese, the Coordinator for

Outstanding Leadership and Justice will:

- Provide advice, resources and support to develop people at all levels of the diocese for outstanding leadership in ministry
- Work in consultation with the Bishop and Executive Archdeacon in the development of parish covenants among the clergy, laity and Bishop's office that articulate clearly a direction and vision for parishes
- Seek to animate people and parishes to discern and prophetically respond to justice issues in their neighbourhood, communities and world.

COORDINATOR FOR OUTSTANDING LEADERSHIP AND JUSTICE	Actual 2009	Approved Budget 2010	Proposed Budget 2011	% 2011
	\$ -	\$ 21,250	\$ 80,000	2.9%

STEWARDSHIP

Asking people for money is giving them the opportunity to put their resources at the disposal of the Kingdom. Henri J.M. Nouwen

The Stewardship Consultant position is made possible in 2011 by a generous grant from the Anglican Church of Canada's Department of Philanthropy, which works in close partnership with the Diocese of Niagara on:

- Developing a broad consensus that generosity is a shared goal and a leading indicator of spirituality
- Helping ministries at all levels to be adequately and fairly resourced
- Encouraging people to live out their Baptismal covenant
- Ensuring that governance, committees, and processes embody and support our Vision
- Helping to develop Diocesan and parish budgets that realistically reflect anticipated revenue and support investment in resources consistent with living our Vision.

	Actual 2009	Approved Budget 2010	Proposed Budget 2011	% 2011
Stewardship Position	\$ 863	\$ 30,000	\$ 30,000	1.1%
Less: Consultant Grant Expenses	\$ -	-\$ 30,000	-\$ 30,000	-1.1%
STEWARDSHIP	\$ 13,594	\$ 5,000	\$ 5,000	0.2%

Funding of approximately \$30,000 for this part-time Stewardship position will need to be found in future budgets.

"Real Stewardship has nothing to do with a project or crisis, or with budgets or deficits. It's about our relationship with God!" The Most Reverend Douglas Hambidge

OTHER SUPPORT

Other support provides services to help parishes follow the Diocesan mission. These include finance staff (less service fees), cemetery consultant, youth and childrens' ministry, and vision initiatives, all vital to parishes across the Diocese.

	Actual 2009	Approved Budget 2010	Proposed Budget 2011	% 2011
Finance Staff & Benefits	\$ 321,535	\$ 273,565	\$ 260,750	9.4%
Less: Service Fees	\$ 84,033	\$ 90,000	\$ 85,000	3.1%
Cemetery Consultant & Ben.	\$ 7,399	\$ 13,500	\$ 13,500	0.5%
Youth Ministry	\$ 25,034	\$ 31,150	\$ 26,500	1.0%
Childrens' Ministry	\$ 4,236	\$ 3,000	\$ 3,500	0.1%
Congregational Growth	\$ 1,547	\$ 153,700	\$ 126,000	4.5%
Vision Initiatives	\$ -	\$ -	\$ 6,000	0.2%
Total Other Support	\$ 275,718	\$ 384,915	\$ 351,250	12.7%
Total Parish Ministry Support	\$ 461,829	\$ 584,625	\$ 566,982	20.4%

CLERGY DEVELOPMENT AND SUPPORT

This category includes support and costs related to Divinity Students, Ordinations, Transitional Deacons, Continuing Education, Employee Assistance program, Clergy Conference and Clergy Days, Regional Deans, Interim Ministries, Archdeacons and Vocational Diaconate

	Actual	Approved		Proposed	%
		2009	Budget		
Clergy Development	\$ 52,697	\$ 54,750	\$ 32,500	1.2%	
Parish Development	\$ 7,887	\$ 17,000	\$ 13,000	0.5%	
Total	\$ 60,584	\$ 71,750	\$ 45,500	1.6%	

ADMINISTRATIVE SUPPORT

The items included here include diocesan operations, administrative expenses, anticipated payroll adjustments for 2011, and fixed expenses for the operation of Cathedral Place. Cathedral Place is the seat of the Bishop and the diocesan home for thousands of Anglicans in Niagara.

	Actual	Approved		Proposed	%
		2009	Budget		
Pension Commitments	\$ 73,292	\$ 74,000	\$ 70,000	2.5%	
Payroll Adjustments	\$ 9,123	\$ 5,000	\$ 5,000	0.2%	
Diocesan Operations	\$ 816,087	\$ 498,460	\$ 486,760	17.5%	
Administrative Expenses	\$ 187,422	\$ 180,300	\$ 172,000	6.2%	
Cathedral Place Building	\$ 278,416	\$ 323,000	\$ 281,000	10.1%	
	\$ 1,364,340	\$ 1,080,760	\$ 1,014,760	36.6%	

INITIATIVES BEYOND OUR PARISHES WITHIN NIAGARA

The vast majority of the outreach work and initiatives that have been and continue to be supported and undertaken in the Diocese of Niagara happens at the local parish level. Our best option for increasing and allowing that work to flourish is to increase our support and to resource congregational justice and outreach initiatives and to allow more money to flow through the parish to seed and encourage this work. This will be accomplished with the work of the Coordinator we hope to hire for leadership and justice. Thus agencies such as St. Matthew's House, The Bridge and Mission to Seafarers will no longer receive direct Diocesan support in 2011 and beyond.

	Actual	Approved		Proposed	%
		2009	Budget		
Canterbury Capital Costs	\$ 25,000	\$ 25,000	\$ 25,000	0.9%	
Canterbury Summer Camp	\$ 95,000	\$ 60,000	\$ 30,000	1.1%	
University Chaplaincies	\$ 49,876	\$ 49,876	\$ 24,938	0.9%	
Outreach within the Diocese	\$ 44,901	\$ 42,975	\$ -	0.0%	
	\$ 214,777	\$ 177,851	\$ 79,938	2.9%	

MINISTRY BEYOND NIAGARA

There are a number of other initiatives supported by the Diocesan budget that are not specific to any parish, but are important to our relationship with the wider church and to the way we serve the community. These include General and Provincial Synod, outreach outside the Diocese, and partnerships in gospel justice.

	Actual	Approved		Proposed	%
		2009	Budget		
General Synod:	\$ 674,000	\$ 612,420	\$ 600,000	21.6%	
Provincial Synod:	\$ 35,177	\$ 29,800	\$ 29,400	1.1%	
Social Justice Advocacy	\$ 394	\$ 1,000	\$ 500	0.0%	
Partners in Miss'n/Refugees	\$ 5,812	\$ 9,000	\$ 3,000	0.1%	
PWRDF, PIM, Symposium	\$ 406	\$ 1,000	\$ 500	0.0%	
	\$ 715,789	\$ 653,220	\$ 633,400	22.8%	

NATIONAL CHURCH APPORTIONMENT

Our 2011 budgeted apportionment to General Synod is \$600,000 or about 22% of our projected income. That is consistent with previous years but again this year our budget falls short of the requested amount (\$674,000). Over the past several years our accumulated shortfall to General Synod is well in excess of \$500,000.

Half of the funds sent to the national church support partnerships and grants to the Council of the North, a grouping of financially assisted dioceses which are supported through grants by General Synod. There are 9 dioceses, the Anglican Parishes of the Central Interior and the Archdeaconry of Labrador. They are in sparsely populated areas such as the Arctic, Yukon, Northern and Central Interior British Columbia, Alberta, northern Saskatchewan and Manitoba; northern Ontario, northern Quebec and Newfoundland and Labrador. In these parts of the country, costs, particularly of travel, are high but financial resources are scarce.

SUMMARY

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TOTAL RECEIPTS	\$ 3,195,301	\$ 3,011,000	\$ 2,775,000	100.0%
<u>TOTAL EXPENDITURES</u>	<u>\$ 3,241,590</u>	<u>\$ 3,010,696</u>	<u>\$ 2,774,936</u>	<u>100.0%</u>
SURPLUS DEFICIT	<u>-\$ 46,289</u>	<u>\$ 304</u>	<u>\$ 64</u>	<u>0.0%</u>

PLANNING FOR THE FUTURE

In light of the financial challenges we are facing there is a growing consensus that 2011 will be the year that we give special attention to the Generous Culture of Stewardship petal of our Vision and we are already working on some ambitious plans for making that happen.

Last year we began the challenging process of turning our financial picture around when, unlike other years, we finished 2009 with a negligible deficit. This year we are completely on track to achieve a break even position. We are making tremendous strides forward. Bishop Michael Bird

NOTES:

"Those who need money and those who can give money meet on the common ground of God's love." Henri J.M. Nouwen