

2007 Assembly - Treasurer's Report

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Introduction:

This report is structured to first briefly look back on the past Assembly Report. For new delegates and observers, a summary of Archdiocesan fiscal policies are presented next. Then, a review of some of the highlights of the past three years is brought forward for your consideration. Finally, in the Appendix there are details regarding income and expenditures as well as individual Parish contributions over the past three years.

A. Last Assembly Report:

At the last Assembly in Saskatoon, the Treasurer's report showed that from 1989 our Diocese was staying even to inflation and that our income and expenses were in effect in a steady state - no significant increases in either. The point of course is that while we meet basic needs, the establishment and the growth of Archdiocesan programmes is non-existent.

Pointedly, a previous Archdiocesan Assembly passed a resolution to establish an administrative position in support of His Eminence. The original resolution had the best of intentions but details of assuring funding were not worked out. As a result, to date, there has not been anyone hired in support of the Archdiocesan Archbishop. It is a lesson worth considering as we ponder new resolutions at this Assembly.

B. Fiscal Policies of the Archdiocese:

With every Archdiocesan Assembly new delegates are sent to represent Parishes along with new observers. It is worth while to briefly review for these delegates (and as a refresher to those of us who have been in attendance before) the fiscal policies of the Archdiocese.

- 1) All Parishes are requested to institute a tithe of 10% of income as the basis of their contributions to the Archdiocese. This policy provides a basis for instructing Parishioners of their obligation to their home

Parish. A statement of contributions by Parish (see Appendix) is prepared for each Council.

- 2) Likewise, the Archdiocese sets aside a 10% of its income for purposes of supporting the Central Administration's (Syosset, NY) expenses in Canada. However, under Revenue Canada's laws and policies, Canadian Charities are restricted in sending "receipted" funds abroad. As a result, the Archdiocese uses such funds in support of the Central Administration for expenditures within Canada. For example, the costs of the Metropolitan's visit to the Archdiocesan Assembly and our Vladyka's travels on behalf of the OCA are covered by such funds.
- 3) Responses to the annual Central Administration campaigns for Missions, Charity and Education are to be sent to the attention of the Archdiocesan Treasurer. The Archdiocesan Council provides direction on the dispersal of such funds in Canada.
- 4) All funds sent to the attention or given directly to His Eminence either as a gift or as a contribution to defray costs of a visit are deposited in the Current Account of the Archdiocese to be used for the operational costs of the Archdiocese.
- 5) Special collections for His Eminence's use (purchase of books, birthday recognition, designated for trips, etc..) are tracked as a special contribution and dispersed accordingly.
- 6) All special collections (metamorphosis, Auxiliary Bishop, car purchase, etc..) are tracked and reported to Council twice annually. The funds collected for the support of an Auxiliary Bishop are in a savings account and collecting interest.
- 7) The Archdiocesan travel policy for Council and other business meetings is to use the lowest possible fare tickets, and not to provide a per diem. Transportation to from airports is usually borne by the traveler as are incidental costs.

C. Highlights on the State of Our Finances:

1) Overall Comment:

On average the Archdiocese has experienced an increase in its total income and of course in its expenses. We continue to meet our basic needs in line with inflationary increases. Our capacity for establishing new programmes is non-existent.

2) Budgetary Line Items:

The following provides commentary on selected budgetary lines dealing with income first.

a) Income - Contributions to Archdiocese

In both 2004 and 2006 Parish contributions and those through our Archbishop increased over previous years. In 2005 a significant shortfall of \$20,000 below the previous year (2004) was subsequently recouped in the subsequent year (2006) where we exceeded our previous totals. The reason for this significant drop in 2005 is not clear - perhaps the efforts to raise targeted funds (metamorphosis, Auxiliary Bishop, New Cathedral, other funding drives..), perhaps a drift northward from the Syosset - OCA fiscal malaise.

Of note is that in 2005 a number of our smaller Parishes contributed while some larger Parishes significantly reduced their contributions in that year.

Mission Parishes are spotty in their contributions.

b) Income - Special Appeals:

Not every parish sends in funds collected in response to annual appeals for Charities, Missions and Education. Annually, the total for these appeals range from \$6,000 to \$7,000. These funds are distributed within Canada on the direction of Council.

Periodically, special appeals are approved by the Archdiocesan Council. A good example of such are the periodic appeals targeted to cover costs of renovations of Fair Haven (Archdiocesan Centre) and the acquisition of adjoining properties. In 2004, for example, over \$17,000 was collected with smaller amounts in subsequent years in response to this appeal. These funds have covered mostly the cost of materials for renovations and some labour. The last Assembly's decision to proceed with the installation of an Auxilliary Bishop was accompanied with a call for the raising of funds in support of a second Bishop. In response, over \$64,000 was collected. Since the decision of appointing a second Bishop has been deferred, these funds have been set aside in a savings account and are accumulating interest.

Some Parishes have sent in funds in anticipation of future costs of purchasing a car for the use of the Archbishop. While the car loan was repaid in 2004, the Bishop's car's odometer is approaching 300,000km. A new purchase is inevitable soon.

c) Income - Targeted

Katya Szalasznyj has raised funds within the past three years to cover expenses for her work on the **Archdiocesan Archives** by tapping "Young Canada" student employee programs and other sources. These activities are at mostly no cost to the Diocese other than some of the employer's EI and CPP obligatory costs.

In response to the as yet unrealized hiring of an **administrative assistant**, funds are slowly accumulating for this purpose as well.

An annual collection is made at the Sign of the Theotokos Parish in Montreal to offset the costs of Vladyka's **cell phone** costs.

d) Income -Transfers

A lengthy list appears here and represents mostly funds collected that flow in and out of the Archdiocesan Accounts. A number of these are new missions and other Archdiocesan institutions that as yet have not received their charitable status.

e) Expenses - General Comments

Travel, real estate and remuneration are the three largest out of pocket costs to the Archdiocese. Office and supply costs are minimal.

Many hours of volunteer time, and out of pocket expenses incurred by these volunteers (including officers) are not reported.

f) Expenses - OCA obligations

In keeping with our laws, the Archdiocese is retaining funds that would normally be sent to the Central Administration - a tithe of 10% of funds sent from Parishes. These retained funds are then applied against expenditures incurred by the Central Administration in Canada. The All American Council in Toronto in 2005 permitted us to cover many of the bills spent here - from Metropolitan hosted dinners, salaries of Canadian interns, to T-shirt costs. The Metropolitan's trip to our Assembly this year will also be covered from these funds.

g) Expenses - Cathedral Purchase costs:

Council approved to float a no-interest loan of \$125,000 to the Ottawa Annunciation Parish for the purchase of the National Cathedral. For this purpose a reserve fund of \$92,179 was collapsed and shows up as income in the 2005 statement. As well, the \$125,000 expenditure shows up further down on that page. Support in meeting mortgage costs for one year was also initiated. Over \$50,000 of the loan has been repaid to date with an anticipation of total repayment by the end of the year. The collapsed reserve fund will be re-established with the repaid funds

h) Expenses - Fair Haven:

Oil prices increases doubled heating costs in 2005. Fewer residents reduced subsequent year costs. Judicious use of electricity and less construction helped keep electricity costs down as well. Municipal taxes (inclusive of the Sifton property) increase yearly.

i) Expenses - Messenger:

The dedicated work of Editor Mother Sophia, the Circulation Director Helen Culhane and the printing services of Doug and Susan Gander's Wordsmith has resulted in a great communication instrument read from sea to sea to sea and beyond. An extraordinary run for distribution at the ACC was the principle cause for the increased cost in 2005.

j) Expenses - Travel:

Vladyka's travel in 2005 exceeded previous years. Extraordinary Synodal meetings, travel abroad, additional travel costs of non-Council members added to the overall costs. Since 2006 charges of travel on behalf of the Central Administration are charged against our CAA obligations.

D. Current Account and other funds statements as of July 2, 2007

Account	Amount
Chequing Current Account	\$42,561.18
Savings	\$65,098.89
Reserve Fund (actual value)	\$40,508.52
Fixed Assets (estimated value)	\$147,000.00
Cathedral loan owed to Archdiocese	\$71,146.64
Liabilities	\$0.00
Net worth of Archdiocese	\$366,315.23