

REPORT OF THE FINANCIAL ADVISORY COMMITTEE (FAC)

The task of the Financial Advisory Committee (FAC) is to advise and report to Synod Council and the Bishop on the management and administration of funds and assets held by or under control of the Synod. In addition, the FAC provides advice and recommendations to Synod council and the Bishop on all financial matters that are to come before them for resolution. Various subcommittees of the FAC, a number of which have separate reports in this convening circular, provide information to the FAC in specific areas including investment, insurance and risk management, and finance/budget. FAC works closely with the Treasurer and finance staff.

This year has been a year of transition and we acknowledge the tremendous work of the interim treasurer Gord Archbell and the dedication and hard work of the finance department staff, Debbie Young, Kim Waltmann, and Ruth Anne Martin. We also recognize the work of Wendy Duncan, who left the diocese in May to pursue another opportunity. Without their dedication to their work, FAC could not have accomplished what we have this year. On September 1, 2010 Jody Beck assumed the position of Treasurer and we are pleased to welcome her and look forward to working with her in the future.

2010 has been a challenging year. FAC members have worked as part of a team with other financial task forces and diocesan committees to develop an understanding of our current financial situation. We have assisted in outcomes that address current financial concerns. Some of our members participated in Individual follow-ups with parishes that had outstanding payroll receivables. Several parishes committed to automatic withdrawals for their payroll expenses as a result. Meetings were held in conjunction with the Stewardship committee and a significant amount of long-term parish receivables were received prior to year end and early in 2010. FAC provided input into the 2011 budget and helped in the development of the materials to be presented at the regional pre-synod meetings to inform synod delegates about the budget, the changes and the reasons for those changes.

FAC members have focused on obtaining cash flow statements in addition to the monthly income and expenditure statements. The Executive have done an excellent job in controlling expenditures in many areas but cash flow continues to be a challenge for the diocese. Committee members met almost weekly in the spring and shared many email conversations as they struggled to get a better understanding of the cash flow situation faced by the diocese. The primary source of stress on the diocesan cash flow is the parish payroll. Payments are made to the clergy and staff of parishes on the 15th of each month despite the fact that many parishes do not remit funds to cover those payments until later in the month, and sometimes several months later. Procedures are being put in place to address this situation and to help parishes meet their payroll obligations in a timely manner.

Another focus of FAC this year has been to increase the overall communication with the Bishop, the Executive officer, the interim treasurer, and Synod Council. We have worked hard to make the diocesan finances more transparent, thereby contributing to a better understanding of our financial situation and the opportunity for those in leadership to use the financial reports to inform the decision-making processes of the diocese. As a result, the diocesan leadership responsible for making this diocese a success is better able to function as a team in the financial management of the diocese.

REPORT OF THE FINANCIAL ADVISORY COMMITTEE (FAC) (continued)

The knowledge and the commitment of the members of the FAC has been exceptional this year and I am grateful for the dedication that each member has given to the work that we have done. As we continue to bring the diocesan vision to life, I am confident that the skills and dedication of FAC members will play a key role in monitoring our financial health and working as a part of the diocesan team to enable the diocese to do the ministry that it is being called to do in this place at this time.

The members of FAC for 2010 are:

Mrs. Judy Conning, Chair

Dr. Stan Hatcher

Mr. Jim Higginson

Mr. Ian Pratt

Mr. David Ricketts

Mr. Fred Roach

Mr. Tim Huxley

Mr. Mitch Banks

Mr. David Eccles, Finance Budget representative

Ms. Jody Beck, Diocesan Treasurer

Mr. Gord Archbell, Interim Treasurer

The Venerable Michael Patterson, ex-officio

Ms. Ruth Anne Martin, Recorder

Respectfully submitted,
Judy Conning, Chair