

DIOCESE OF THE SOUTH
2021 Budget & Forecast
NOTES

Income

Tithes and other income are on course to finish 2020 at \$925,000 in a year that surely must have dampened some donors' capacity. An increase of 2.7% next year is not beyond reasonableness.

Diocesan Administration Expense

The only changes are distribution of the Secretariat budget item, with Fr. Peter Robichau's stipend reduced to \$750 per quarter and the DOS share of Office Administrator Allison Nix receiving most of the difference at \$2000 per month.

Travel Expense

With continuing Covid constraints foreseeable into 2021, budgeted travel accounts were estimated at rates more consistent with 2020 and current expectations, which are admittedly rather arbitrary.

Building & Grounds Expense

The Moundville property sale has the greatest impact on this expense reduction. In addition, an arrangement has been worked out with the Cathedral such that Utilities are paid by the diocese while Landscaping and Pest Control are paid by the Cathedral, obviating the need for often fruitless division of shared costs that typically offset each other anyway.

Office and Administrative Expense

Many of these accounts are estimates extrapolated from current experience. However, there are several notable exceptions. With Covid travel constraints, the 2020 Financial Review/Audit is likely to be conducted virtually with possible travel costs for two persons for onsite review of physical records. *Economia* is now emailed, thus eliminating printing and postage costs (i.e. "Mailing"). Although Legal expenses associated with the St. Andrew, new Port Richey, contractor suit are borne by the parish, there is always a possibility, even if not expected at this time, that the diocese could incur some expense in its own behalf. Finally, although the plan is to pass transactional costs for the Donation Portal on to the beneficiary parishes in 2021, the diocese will continue to incur ACH transfer fees, which comprise the total of bank charges. All other bank charges are waived in recognition of deposit balances.

Meeting & Conferences Expense

With all expected meetings to be conducted virtually, there should be no expense incurred in this category. If that assumption proves false, a modification will be in order.

OCA Assessment Expense

At 34% of Tithe Income

Interest Expense

Each interest-bearing account was analyzed and, where applicable, the anticipated savings rate of 2.50% was calculated.

Loans Forgiven-Tithe Credits/Grants

More difficult to forecast, but a reasonable estimate nonetheless based on current experience.

Net Income

This Budget & Forecast is the first in positive territory for the past several years. If the Income forecast proves to be conservative and the expense budget somewhat liberal versus actual outcomes as are the assumptions underlying budget estimates, the DOS surplus will benefit accordingly and we will begin achieving a much desired stronger Equity level.

Noel Busch
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