

Dear parishioner,

We loathe to bring up, yet again, the grave financial status of our parish. We're not surprised that many get the impression that all we seem to be talking about at our parish is money. This demotivates those who are coming, discourages those who want to help, and gives an opportunity to those who want to slander our parish to portray us as greedy and irresponsible.

We would love to get over this problem once and for all so that we can finally get onto all other "church stuff" that we should and could do at our parish: be able to support a new priest and his family, pay-off our mortgage, save up for building a new church, have enough to give out to the needy, organize spiritual retreats by inviting distinguished Orthodox theologians to speak, organize and run educational programs, do missionary work, etc. But we're not getting to all of those things simply because our basic monthly bills are not adding up.

To help you understand what we're dealing with on a monthly basis, we have prepared the below graphs showing our average monthly income and expenses based on the accounting we did for April through September 2016:

Figure 1: Average Monthly Donations April-September 2016

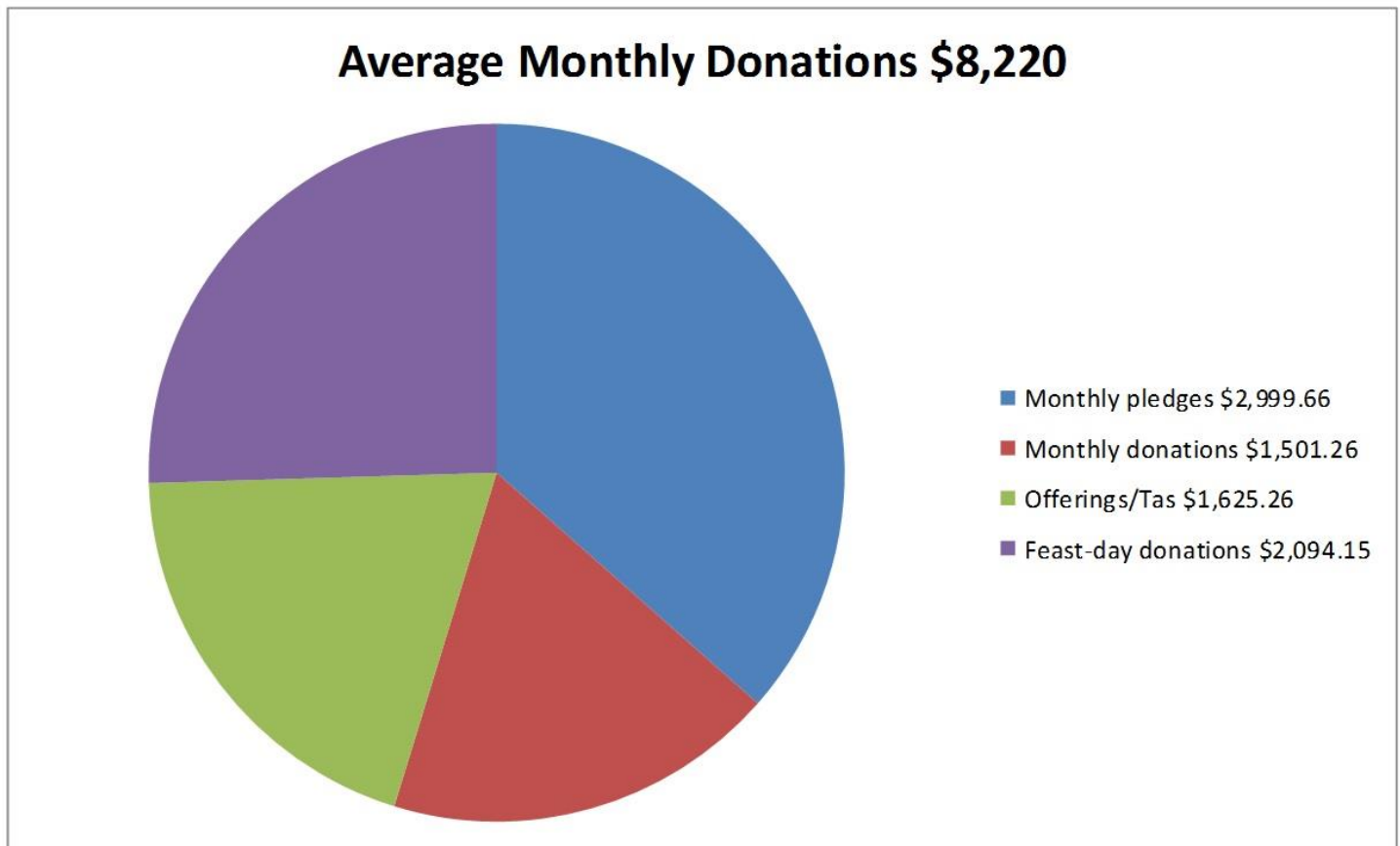


Figure 2: Combined Donations per Month, April-September 2016

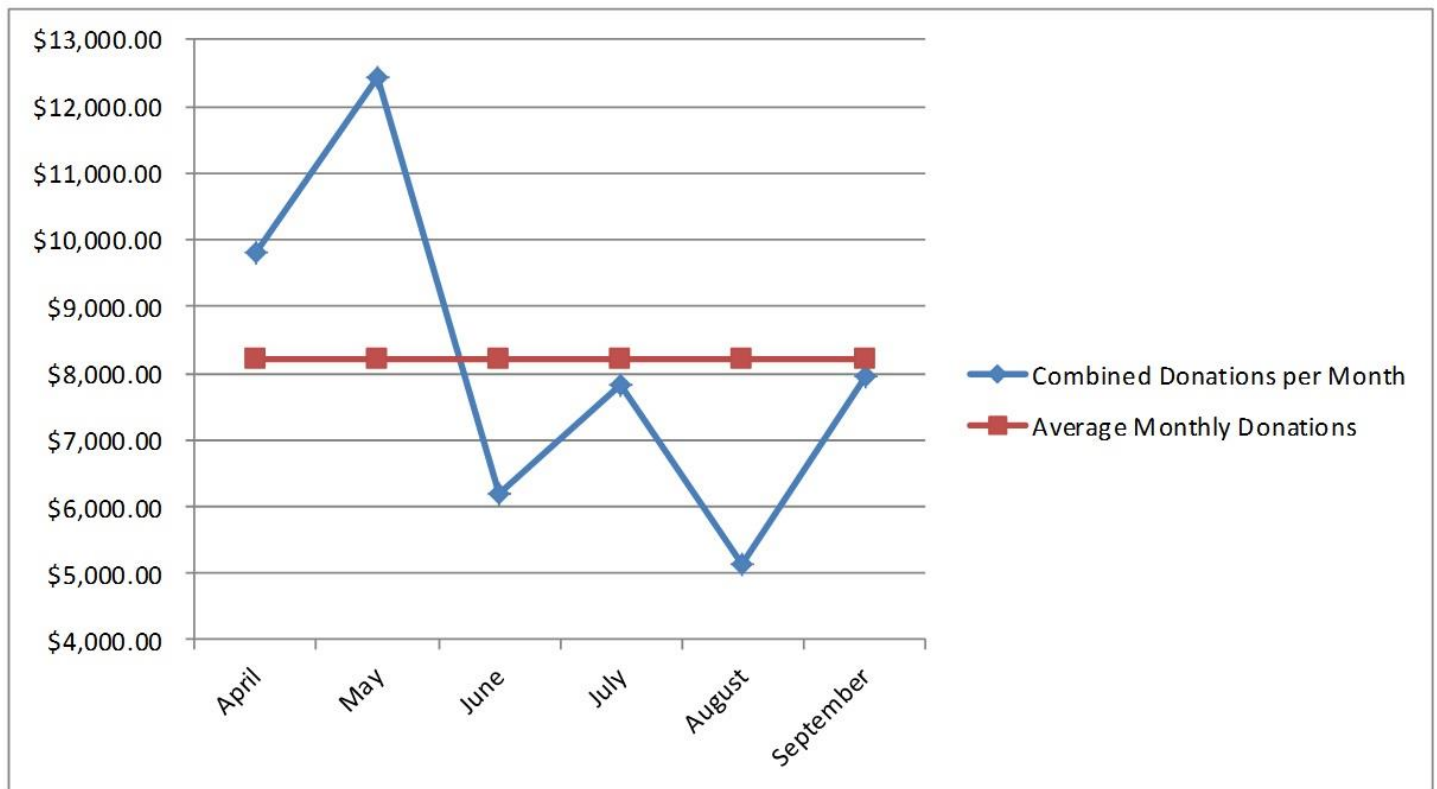
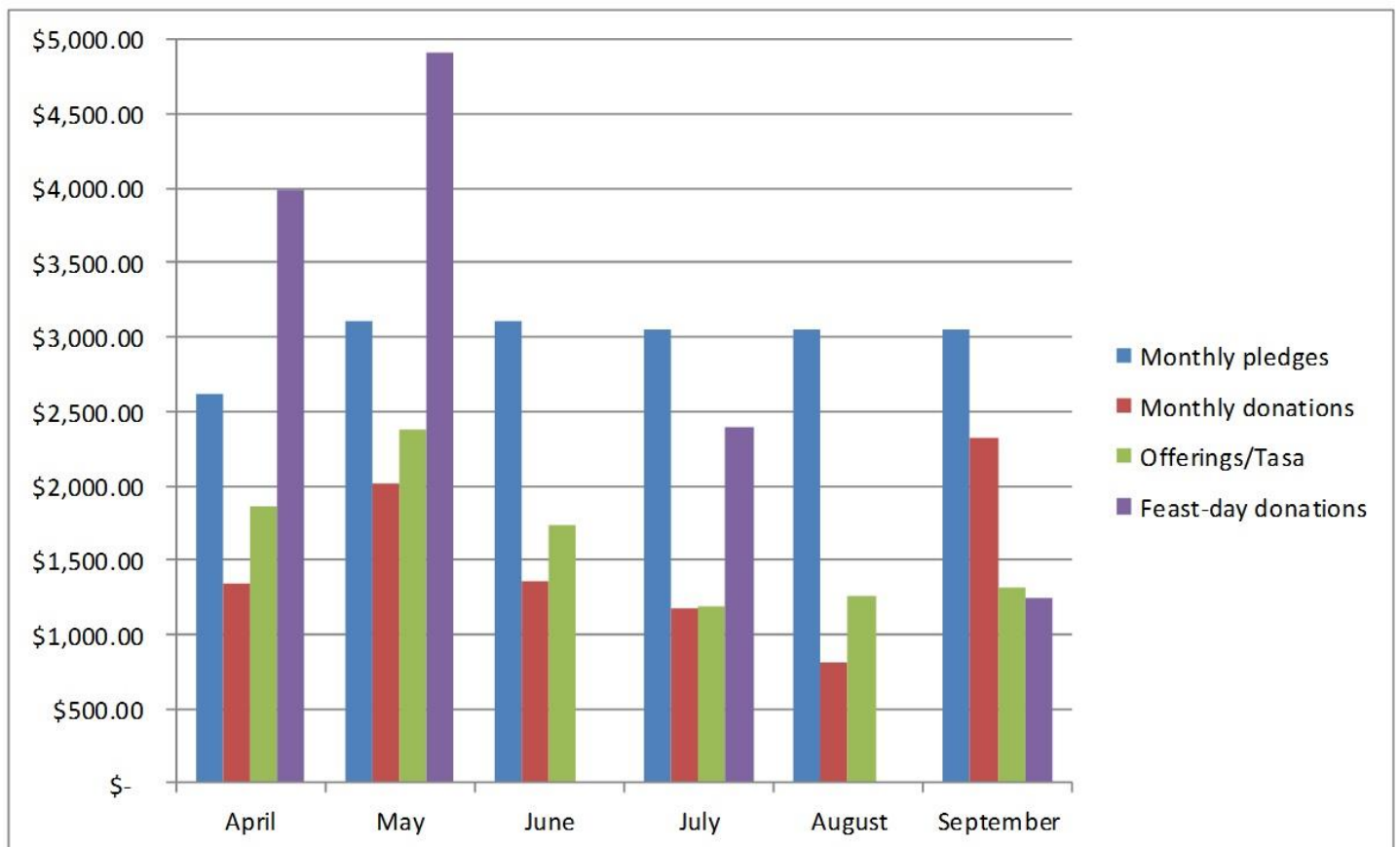


Figure 3: Breakdown of Donations per Month, April-September 2016



- Monthly pledges - the money that is automatically taken from your bank accounts on a regular basis. This is the only (nearly) fixed amount a month.
- Monthly donations – the ad hoc donations that anyone gives for various occasions on any given day: for health, memorial, or any other purpose. These fluctuate greatly from month to month.

- Offerings/Tas – the donations that parishioners put on the plate during service. These also fluctuate from month to month.
- Feast-day donations – the donations given on account of major feast days such as Christmas, Pascha (Easter), Pentecost, Dormition, church Slava, CSS Slava or school Slava, etc.

Figure 4: Average Monthly Income April-September 2016

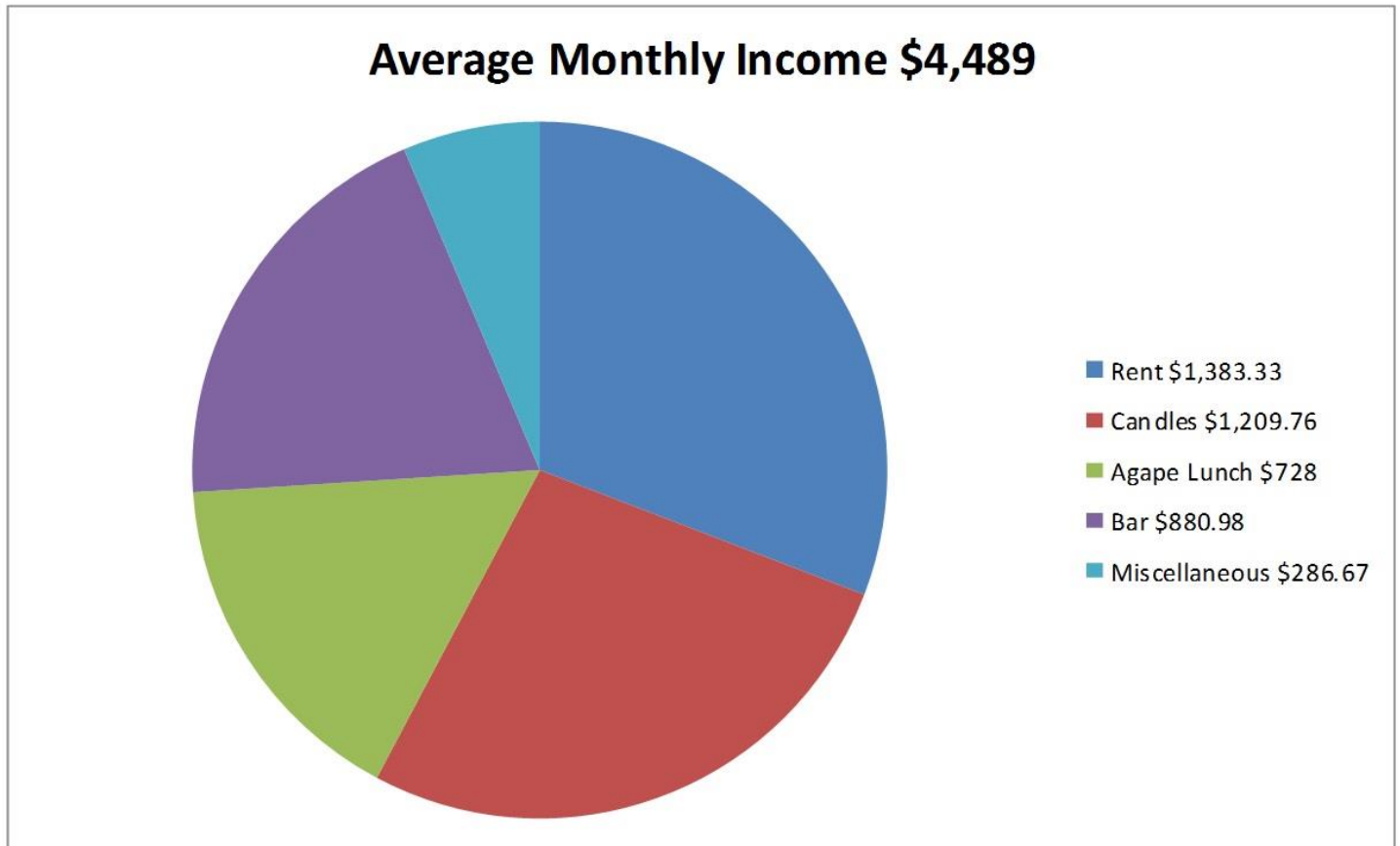


Figure 5: Combined Income per Month, April-September 2016

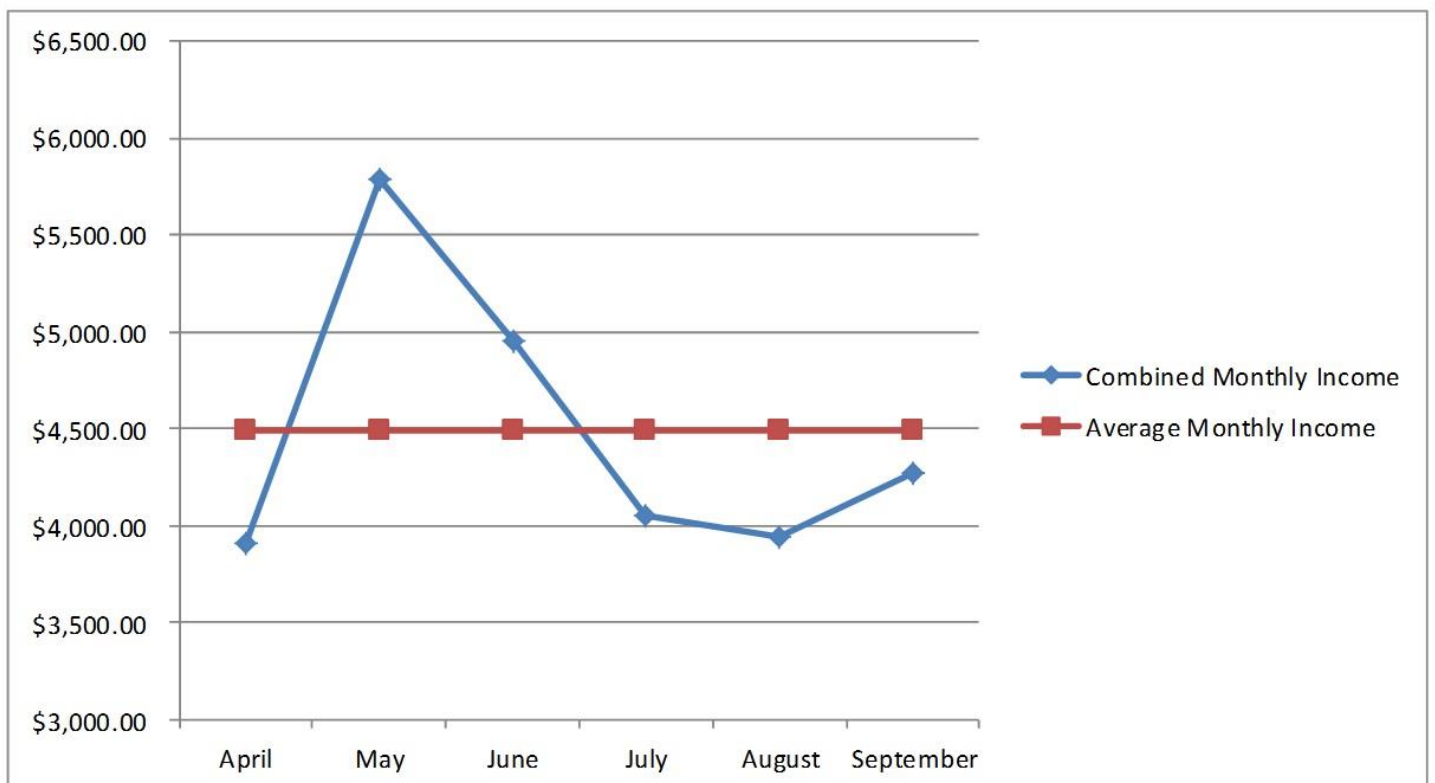
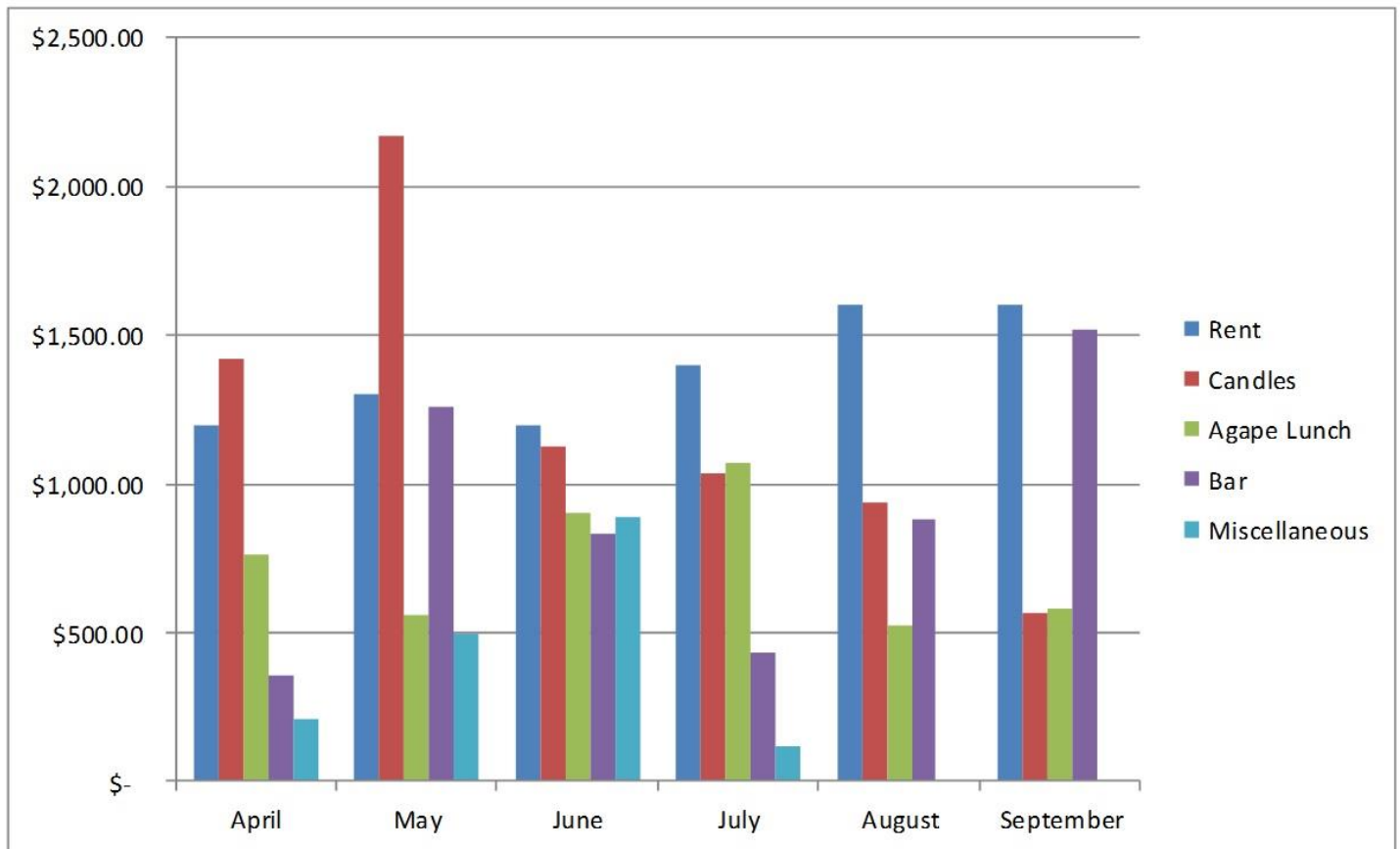


Figure 6: Breakdown of Income per Month, April-September 2016



- Rent – income from renting our two apartments, the church hall, usage of tables/chairs.
- Candles – income from the sale of candles in church.
- Agape lunch – income from lunches served on Sundays after Holy Liturgy that our parishioners prepare on a voluntary basis
- Bar – income from coffee and beverages sold.
- Miscellaneous – income from items sold at the bookstore, or from wedding/baptism/burial services.

Figure 7: Average Monthly Expenses April-September 2016

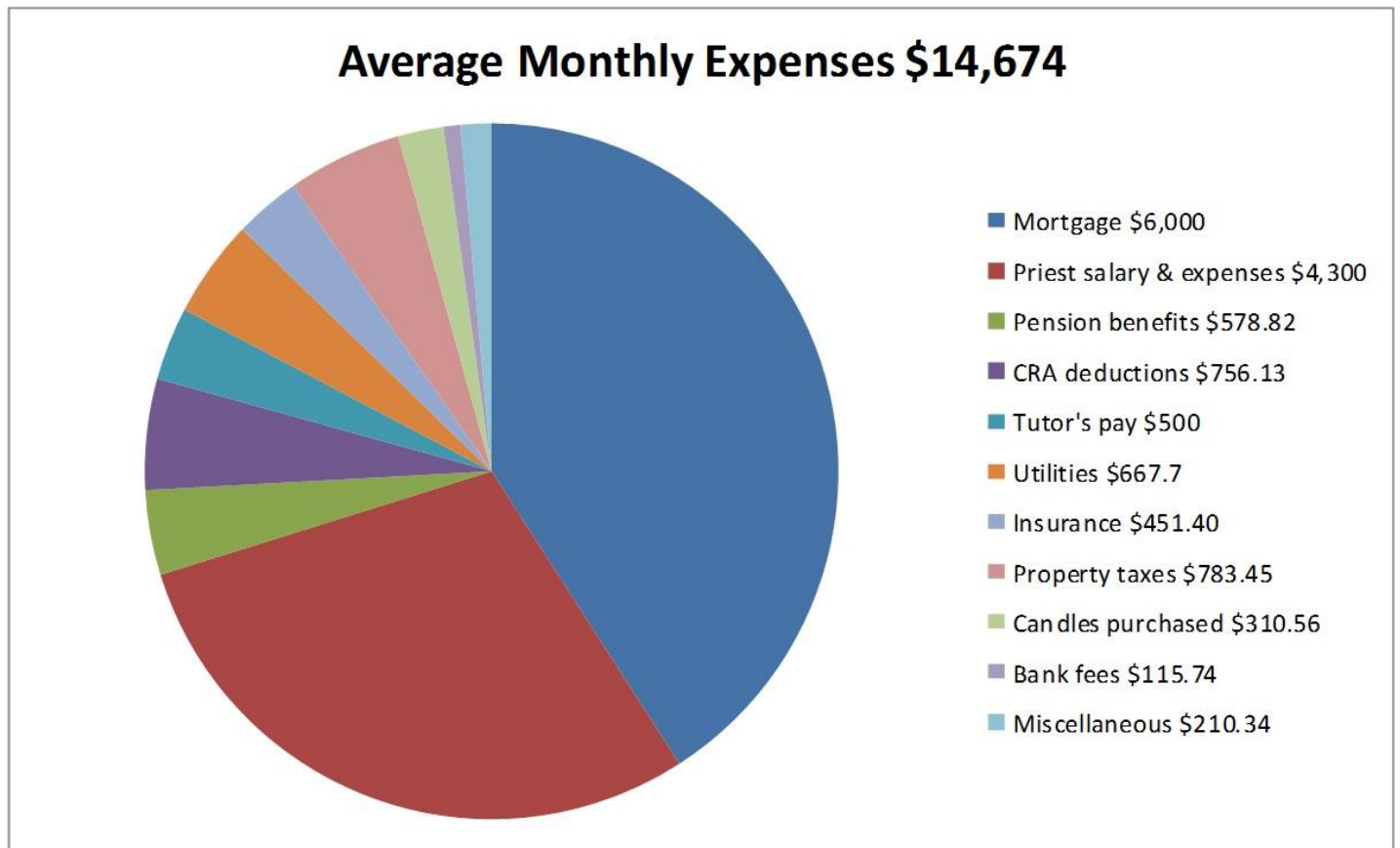


Figure 8: Combined Expenses per Month, April-September 2016

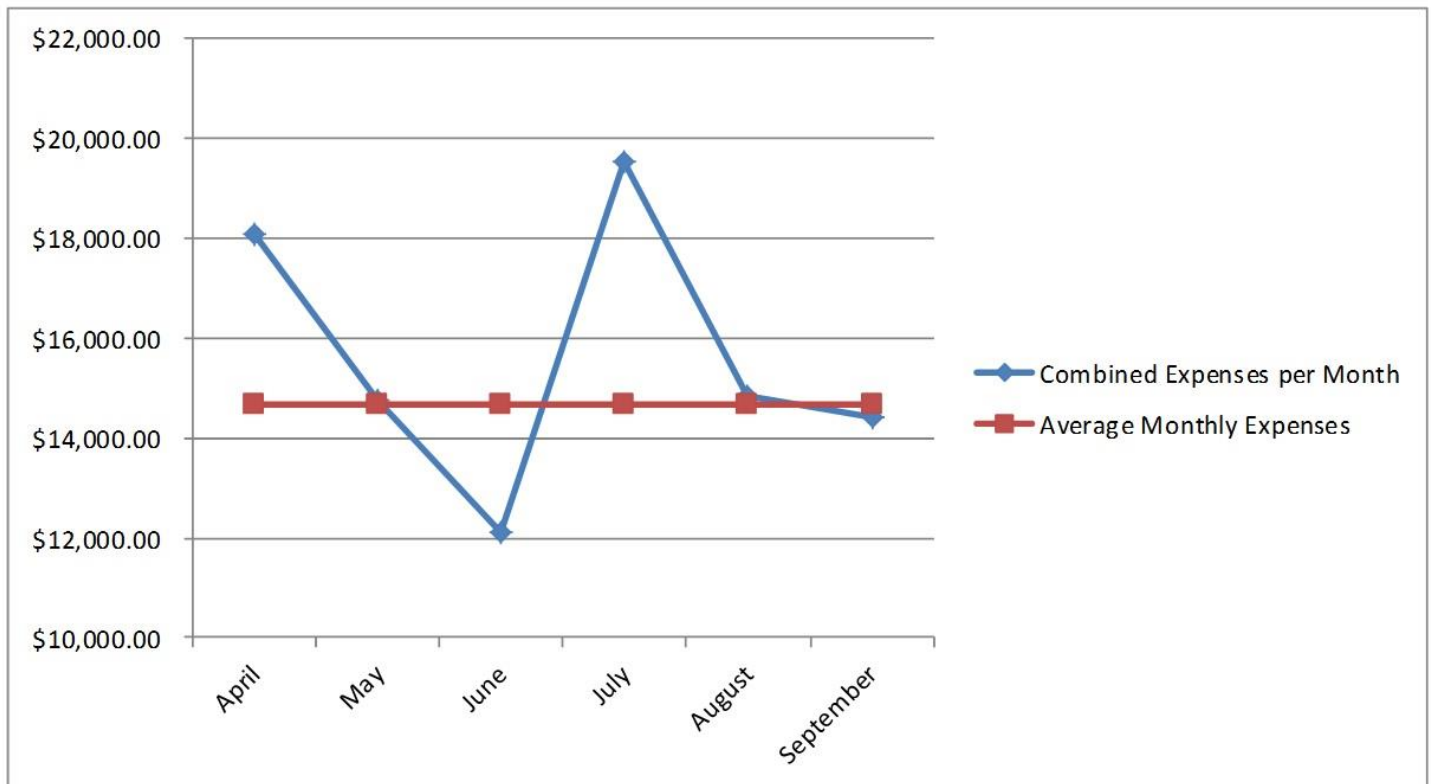
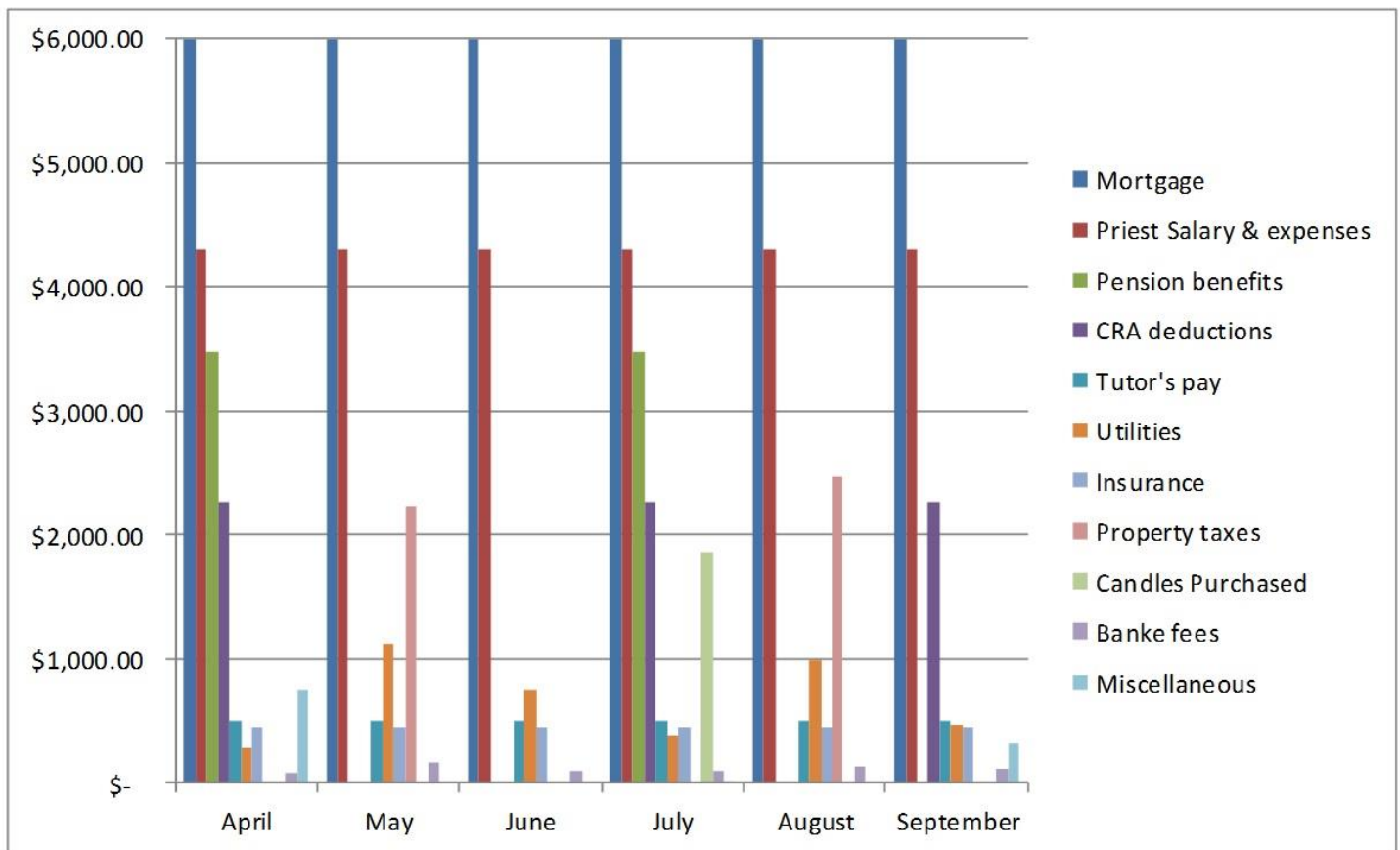


Figure 9: Breakdown of Expenses per Month, April-September 2016



- Mortgage – the monthly payments on the loan we took to purchase our property
- Priest salary & expenses – the pay we give to our priest including his incurred expenses
- Pension benefits – the regular payment we give into the pension fund for the priest
- CRA deductions – the withheld taxes based on priest's income
- Tutor's pay – monthly pay to the church tutor
- Utilities – including gas, electricity, water and garbage disposal
- Insurance – combined property and liability insurance we need to pay
- Property taxes – reduced property tax, based on apartments rented.
- Candles purchased – the candles we buy to be used at our church
- Bank fees – all fees the bank charges us for all the transactions we have made
- Miscellaneous – paying for various expenses, such as kitchen, bar and washroom supplies

As you can see, on average, we have roughly a total income of about \$12,710 (combining donations and income, rounded up), while our monthly expenses amount to about \$14,675 (rounded up). Thus, on average, we lose each month $\$12,710 - \$14,675 = -\$1,965$. In one year, this amounts to about $12 \times \$1,965 = \$23,580$.

Also, we have had, since this board was elected, additional property rezoning expenses to cover. Specifically, our Site Plan Application process and fee to the Regional Municipality of York cost us an additional \$6,080, which comes on top of the already estimated annual loss we have.

In order to cover for this discrepancy we have organized special fund-raising events over the year, which, as you may appreciate, are of varying success, and thus extremely difficult to count on all of the time. Since this board has been elected, the following fundraisers were made:

- Business Dinner: \$26,790 of gross income, and \$1,386.09 of expenses → Net income of \$25,403.91
- Hunters Dinner: \$1,720 of income (all expenses covered by Mirko Tojic)

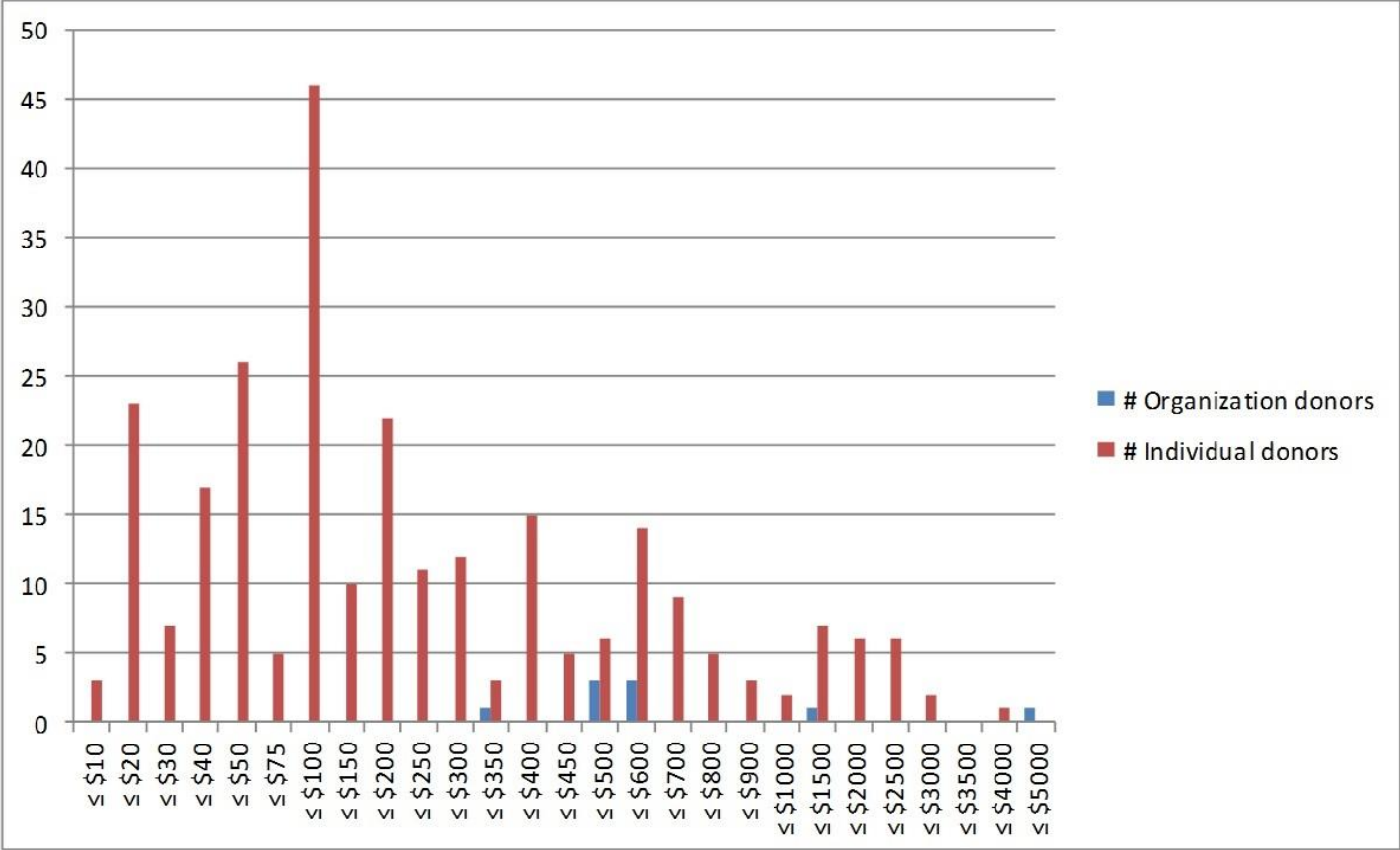
In addition to these two fundraising events, we also enriched our church with installing into our chapel the Holy Relics of Martyrs brought to us from Prebilovci, Hercegovina. The incurred expenses for this solemn event were exactly \$13,301.22, while the donations that we received for this particular occasion amounted to \$7,297.70, leaving us with a net loss of \$6,003.52.

In summary, these additional events have brought us another \$21,120, but still do not cover the entire additional \$23,580 we need per year just to cover our essential bills. Including the additional re-zoning fees we had, we are still $\$23,580 + \$6,080 - \$21,120 = \$8,540$ short this year!

Can we at least cover this discrepancy and survive? Or better, can we cover this discrepancy and even thrive? Here are some statistics on how many of us are donating and how much, and suggestions for what we can all do to keep our church going.

In 2015 we had nearly 270 identified individual donors and 9 organizations that donated to us. On *average* each individual donated about \$359 per year, i.e. about \$30 per month, with a maximum annual donation of \$3855 and minimal of \$7, for a total of \$96,340. Each organization/company donated on *average* about \$1107 per year, i.e. about \$92 per month, with a maximum annual donation of \$5001 and minimal of \$350, for a total of \$9,965 in 2015. Together they contributed with about \$106,305 in 2015. The remainder of the income was acquired through rent, sale of candles, food, beverages and cash given as offering at the services and on other occasions.

Figure 10: Distribution of Annual Donation Amounts in 2015



So, if we use the average monthly expenses to estimate total expenses for 2016, we should be incurring about $12 \times \$14,675 = \$176,100$ this year. With average monthly income from rent and sales of \$4,490, adding up to $12 \times \$4,490 = \$53,880$ a year, we're left to cover for $\$176,100 - \$53,880 = \$122,220$ of the expenses through donations.

Thus, at minimum, some 200 families could split these expenses as follows:

Monthly Donation	Annual Donation	Total across 200 donors	Coverage
\$51	\$612	\$122,400	$\$122,400 + \$53,880 - \$176,100 = \180
\$75	\$900	\$180,000	$\$180,000 + \$53,880 - \$176,100 = \$57,780$
\$100	\$1,200	\$240,000	$\$240,000 + \$53,880 - \$176,100 = \$117,780$

In other words,

- If 200 families committed to give on average \$51 per month, we would be able to break even without making additional fundraisers.
- If each family donates at least \$75 per month on average, we could use the additional annual income from rent and sales (\$53,880) towards paying off the property mortgage and/or towards the new church building fund.
- Finally, if on average each family donates \$100 per month, the excess combined with income from rent and sales would come to \$117,780 a year, which would make paying off the mortgage and building the new church a foreseeable reality, as well as provide ample resources for charitable work, organizing spiritual lectures, expanding our educational programs, etc.

Of course, not everyone can donate the same amount per month: some are ready to give \$20, \$30, \$50, even a \$100, while many others can give \$200, \$300 or more per month. The important thing is to have at least 200 households that would commit to whatever regular and optimal monthly amount they think they can commit to so that we can have a solid and steady amount of funds we can count on, as well as to realistically maximize the amount of donations we can give for our church.

Another way would be to try to eliminate our greatest expense, the property mortgage, along with giving monthly pledges as suggested above. At this time we owe roughly about \$800,000 for our property, and we pay monthly \$6,000 for that loan. If we could “unburden” the parish with this debt, we would immediately be saving \$72,000 per year, and any extra money the parish would earn or receive could start going directly into the building project. To achieve this, we could have a number of families take out smaller loans that they can successfully pay, in order to payout the entire parish loan.

So, to give you an idea, to pay out about the \$800,000 mortgage, we would need, approximately:

Number of Families	Individual loan to cover \$800,000
160	\$5,000
80	\$10,000
54	\$15,000
40	\$20,000
32	\$25,000
26	\$30,000
23	\$35,000
20	\$40,000
18	\$45,000
16	\$50,000

As you can see from these examples, the greater number of parishioners can donate in a committed, optimal and regular manner, the easier is the burden per parishioner, and the more successful we will be with covering our expenses. If “most of us” can give the “most we reasonably can” on a regular and committed basis, we could easily cover all of our expenses without overburdening anyone, and more importantly, stop worrying about our finances, and start doing everything that an Orthodox Christian parish should do!

Are we, as a community of roughly 200 households, able and willing to support a Serbian Orthodox parish in our area? Do we want to see in a few years a beautiful and proper Orthodox church built that we can be proud of? Would we not want to have a “home away from home”, a place of gathering to pray to God in our language, to meet with each other, to teach our children the Faith and language, to mark our lives’ happy milestones with friends, as well as to part from our loved ones and pray at memorials for their repose? Can we build and pass on a great spiritual, cultural and architectural inheritance to the next generation of Orthodox Christian Serbs in this part of the GTA?

God willing, we are quite sure that together, if committed, we can achieve this, and the more of us take part, the easier it will be to accomplish our goals. To be able to save our parish and even develop it, we need to make this commitment now, and remain committed in the years to come.

We thank you in advance for the support we count on from you.

The Church Board with the Parish Priest