

REPORTS OF SYNOD COUNCIL COMMITTEES

THE FINANCIAL ADVISORY COMMITTEE

The mandate of the Financial Advisory Committee (FAC) is to provide advice and recommendations to Synod Council on the financial management, stewardship and administration of funds and assets under the control of the Synod of the Diocese of Niagara.

The committee monitors the implementation of the diocesan budget and provides input to its development through the Treasurer, advises as necessary on financial policies, and procedures and guidelines, advises the Bishop of Niagara on the financial capacity of parishes on projects within the scope of Canon 4.6.

In 2026, the Committee reviewed the financial capacity of parishes in regard to 20 projects (13 ongoing; seven completed) on behalf of the diocese, implemented a risk management policy, monitored the implementation of the 2026 missional diocesan budget, and worked in collaboration with the Investment Advisory Committee and the Audit Committee.

We pray that the Spirit continues to lead the work of the committee of behalf of the parishes and the diocese as we grow further into our life of mission in Niagara.

Respectfully submitted,

The Reverend Canon Dr. Eleanor Clitheroe
Chair, Financial Advisory Committee

THE INSURANCE & RISK MANAGEMENT SUBCOMMITTEE

The diocesan insurance broker continues to be Gallagher Insurance Group, and the insurance carrier remains Ecclesiastical Insurance Office PLC.

Claims History

The Loss Ratio (total claims divided by total premium) for the period was 5% which is another excellent result. The Loss Ratio for the last five years was 9%. Total premium for the year net of Broker Fees was \$1,350,323.

Policy Changes

Total premium will decrease 3% for the 2026/2027 period which is a good result considering an inflation factor of 3% was added to all property policy limits and is reflective of the excellent claims record and the long relationship with both the broker and the insurer. This is in spite of the high single digit increase in construction and repair costs.

Deductibles and Coverage Limits are essentially the same except the Directors and Officers limit was increased to \$5,000,000. The subcommittee continues to work to ensure coverage meets our diocesan and parish needs and is cost effective.

Respectfully submitted,

Mr. Robert Taylor
Chair, Insurance & Risk Management Subcommittee

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THE AUDIT COMMITTEE

In 2026, the Audit Committee's primary activity involved a Request for Proposals (RFP) for audit services. On Feb 20, 2026, the committee met with the executive officer & secretary of synod, the treasurer and director of finance, the chair of Canterbury Hills, and the president of the Anglican Church Ministries Foundation, Niagara, for the purpose of reviewing a draft RFP to send to various audit firms related to the next 5-year cycle. Although not unhappy with KPMG, our current Auditor, good business sense dictates that we should look at alternate firms on a 5-year basis to research improved options and costs for the Diocese.

At a subsequent meeting in May 2026 management and the committee reviewed the results of the 9 RFPs that had been submitted related to the selection of Auditors for the next 5-year cycle.

The firm of Norton McMullen received the top recommendation from management. They showed strong expertise in NFP (Non for Profit) accounting and charity experience, including religious organizations; agreed to removal the Audit Qualification with respect to revenue donations; and presented us with a very favourable fee structure over the next 5 years.

In addition, the Committee met with the representatives of KPMG LLP and management of the Diocese of Niagara on Thursday June 4 to review the 2025 Financial Statements and Audit Findings, which were presented by Paul Ciapanna the lead audit engagement partner with KPMG.

Overall, there was nothing significant identified and there were no areas of concern from the Auditors point of view. There were a few audit reclassifications that there were considered immaterial, none of which had any effect on the Auditor's report. The committee discussed some language and terminology points during the review which resulted in minor changes to the F/S.

The committee also met privately with Auditors (without management present) for some additional review questions and answers.

A motion to recommend the Audited financial statement for Synod Council's approval was moved, seconded and approved unanimously by the Audit Committee. A motion was also passed to recommend to Synod Council that Norton McMullen be appointed as auditor for fiscal year 2026.

The recommendation was accepted by Synod Council on June 16, 2026. A motion at Synod will be considered to enact this change.

Respectfully submitted,

Mr. Greg Cook, CPA, CMA
Chair, Audit Committee

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THE INVESTMENT ADVISORY COMMITTEE

The Investment Advisory Committee (IAC) is an advisory committee of the Synod Council, working in collaboration with the Financial Advisory Committee (FAC) which has overall responsibility for advice related to the stewardship of the Diocese's finances and assets. The primary role of the Committee is to monitor the investment performance of the funds held by the Synod of the Diocese of Niagara, the Anglican Church Ministries Foundation (ACMF) and Niagara Investment Fund, and the performance of the investment manager or managers. Russell Investments, appointed in 2002, continues to provide investment management and reporting to the Committee.

For more information: www.russellinvestments.com

The diocesan administrator of investments issues monthly statements to all parishes which have invested with the diocese. These reports keep them up to date on the overall value of the parish's particular fund(s), including the growth or loss and any transactions processed during the month.

In 2025 the Committee undertook a review of the strategic asset allocation and risk profile together with our advisor at Russell Investments. Changes were made, in accordance with the updated Diocesan Investment Policy statement, to provide better diversification while reducing volatility and downside risk, particularly in uncertain markets. To date in 2026, these changes have proven wise, given the current economic uncertainty, and the portfolio is well-positioned both for the present and the future.

To June 30, 2026, the current value of the Fund was \$72.8M, an increase of \$15.0M from 12 months ago. Considering contributions and withdrawals for the past 12 months, net contributions have totaled \$3.0M. Investment performance has seen a rolling 1-year rate of return of 21.85% and a rolling 5-year rate of return of 10.12%, both net of fees.

The Committee will continue its work in adherence to the policy and investment objectives as established by Synod.

Respectfully submitted,

The Reverend Rob Duncan
Chair, Investment Advisory Committee

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THE HUMAN RESOURCES FOR MINISTRY COMMITTEE

The Human Resources for Ministry (HRfM) Committee of the Diocese of Niagara is an advisory body that works consultatively and collaboratively with the bishop, diocesan staff, and Synod Council. When requested, the HRfM Committee provides advice and resources, undertakes research into various human resources issues, and proposes recommendations that aim to further the diocesan vision and mission (MAP) and subsequent iterations.

The new adopted data-driven approach for cost-of-living adjustments (COLA) in 2025, as approved by Synod Council has again been applied to attain our recommended 2027 COLA.

Additionally, the 2025 approved policy approach by the bishop and the Senior Administrative Leadership Team (SALT), to managing the diocesan housing allowance has been applied to our 2027 recommendation. This will enable the diocese to continue to be able to reflect market conditions and be a market-driven element, that plays a significant part of the total compensation package for clergy and licensed lay workers.

In addition to the above, the HRfM Committee inquired about the need for prioritizing any human resource practices and policies, including any priorities as identified by the Bishop, SALT and Synod Council. None were so identified for review in 2026. This will be ongoing agenda item for each subsequent fiscal year, so that human resource policies and practices align with the diocesan strategic direction and the Mission Action Plan.

I would like to take this time to thank the members of our committee for their ongoing efforts and sharing of their expertise towards this important ministry in the diocese.

Respectfully submitted,

Mr. Tim Tiernay

Chair, Human Resources for Ministry Committee

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THE MISSIONAL BUDGET PLANNING COMMITTEE

The primary work of the Missional Budget Planning Committee is to help create an annual mission-shaped diocesan budget, directing resources to renew the work and ministry of the diocese, to respond to episcopal priorities and to align with the strategic vision and objectives outlined in the diocesan Mission Action Plan.

The Committee also has the priority of continuing the movement towards reducing the diocesan operating deficit (after fund transfers) with a goal of returning to a balanced budget.

The bishop's priorities and mission that shape the 2027 budget are:

1. Continue to Resource the Diocesan Mission Action Plan, focusing on creating and implementing opportunities to ignite and strengthen faith, especially focused on children, youth and family ministry; strengthening the missional culture of the diocese and support of contextual mission, and prioritizing social and environmental justice.
2. Continue to build the foundations for a new monastic community, St Brigid's Community, focused on ministry with 18-35 year olds, funded by donor contributions.
3. Work toward greater sustainability for diocesan missions.
4. Build back capacity to support missional ministry, focused on diocesan stewardship, finance, and the archives.

The Committee recommends the missional budget to Synod Council, which considers the priorities, mission, and resourcing as the budget is being prepared, and in its final form for presentation to Synod.

Respectfully submitted,

The Reverend Canon Dr. Eleanor Clitheroe
Chair, Missional Budget Planning Committee