

The Episcopal Diocese of Colorado

The Office of the Bishop Proposed Operating Budget for 2016

BUDGET SUMMARY	2014 Actual	2015 Approved Budget	2016 Proposed Budget
Revenue			
Congregational Pledges	\$ 1,805,186	\$ 1,840,531	\$ 1,829,695
Grant from Colorado Episcopal Foundation	90,000	90,000	90,000
Initiatives Funded by Trusts	157,341	171,526	227,413
Cathedral Ridge Reimbursement	295,919	282,358	300,887
Investment Income	6,389	1,000	6,000
Miscellaneous	22,479	20,720	20,720
Total Revenue	2,377,314	2,406,135	2,474,715
Expense			
<u>Canonical Ministries</u>			
Office of the Bishop	445,104	388,814	394,589
Financial and Facilities Management	295,161	278,198	288,775
Diocesan Convention	32,206	40,738	54,000
Total Canonical Ministries	772,470	707,750	737,365
<u>Diocesan Life</u>			
Office of the Canon to the Ordinary	233,184	354,390	370,228
Communications	211,366	209,401	205,513
Commission on Ministry	14,880	14,800	15,500
Total Diocesan Life	459,431	578,590	591,241
<u>Diocesan Mission</u>			
Leadership Development, Faith Formation and Evangelism	110,766	375,402	406,714
Support of the Wider Church	192,356	197,153	196,470
Diocesan Mission Initiatives	147,113	155,726	151,164
Development Department - Capital Campaign	277,919	123,397	135,002
Congregational Development Department	249,241	267,919	270,784
Total Diocesan Mission	977,395	1,119,596	1,160,133
Total Expense	2,209,296	2,405,936	2,488,738
Net Operating Surplus (Deficiency)	\$ 168,018	\$ 198	\$ (14,023)

Highlights:

The Office of the Bishop continues to work to build up the Body of Christ by serving, supporting, and expanding God's mission for the Episcopal Church in Colorado in the areas of building up collegiality among the leadership, congregational growth, leadership development, life long Christian formation, outreach locally and globally, and funding the mission.

Diocesan Canon and Policies call for mandatory support of the Diocesan Operating Budget equal to 10% of a congregation's plate, pledge, and other regular giving for the current year plus a voluntary contribution of up to 5% to support regional ministries. Based on the 2015 pledge forms, 57 congregations have reached or exceeded the 10% goal. It is essential to the mission of the Church in Colorado that all congregations reach this canonical requirement.

The proposed budget for 2016 incorporates the following major assumptions:
All staff to receive a 2% cost of living increase.
An increase of 6% is projected for health insurance benefits

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Congregational Pledges	<u>\$ 1,805,186</u>	<u>\$ 1,840,531</u>	<u>\$ 1,829,695</u>
<p>Diocesan Canons and Policies provide for mandatory support of the Diocesan Operating Budget equal to 10% of a congregation's plate, pledge and other regular giving for the current year plus a voluntary contribution of up to 5% to support regional ministries.</p> <p>Pledge income is an estimate determined by an analysis of historical giving and prior pledge information for each parish and mission.</p>			
Initiatives Funded by Trusts			
Oakes Home Trust - Medical and Health Assistance	105,000	105,000	105,000
Houghton/ Douglas Trust - Latino Ministry	9,000	15,426	16,164
Shepard-Holton - Institutional Program Care	25,065	20,000	20,000
Hicks Trust - Faith Formation			59,449
Currie Trust - Faith Formation Youth Camp Programs	4,000	8,000	4,000
Bonnell Trust - Anglican Studies/Clergy Education	8,767	17,800	17,800
Talbot - Holy Orders	5,509	5,000	5,000
Total Initiatives Funded by Trusts	<u>\$ 157,341</u>	<u>\$ 171,226</u>	<u>\$ 227,413</u>
Cathedral Ridge Reimbursements:			
Capital Campaign	277,919	123,397	135,002
Finance Department	18,000	18,000	18,000
Faith Formation	-	140,961	147,885
Cathedral Ridge Reimbursement	<u>\$ 295,919</u>	<u>\$ 282,358</u>	<u>\$ 300,887</u>
<p>Capital Campaign for Cathedral Ridge, Finance Department assistance, and Faith Formation are programs supporting Cathedral Ridge to be reimbursed by Cathedral Ridge.</p>			
Investment Income			
Interest Income	\$ 6,389	\$ 1,000	\$ 6,000
Total Investment Income	<u>\$ 6,389</u>	<u>\$ 1,000</u>	<u>\$ 6,000</u>
Miscellaneous Income	<u>\$ 22,479</u>	<u>\$ 20,720</u>	<u>\$ 20,720</u>
<p>Miscellaneous Income includes rental income, prior year congregational support received after the year-end close and other miscellaneous revenues.</p>			

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Expense	2014 Actual	2015 Approved Budget	2016 Proposed Budget
Canonical Ministries			
The Office of the Bishop			
Staff and Related Costs	\$ 343,095	\$ 295,064	\$ 301,739
Travel and Other Expense	49,685	36,150	31,900
Clergy Conference & New Clergy Orientation	18,492	21,300	24,650
Standing Committee/Other Committee Costs	18,327	20,800	20,800
Accruals-Lambeth, General Convention	15,504	15,500	15,500
Total The Office of the Bishop	<u>\$ 445,104</u>	<u>\$ 388,814</u>	<u>\$ 394,589</u>

The Bishop, as the Ecclesiastical Authority of the Diocese and the Chief Executive Officer of the Corporation, is responsible for upholding the Constitution and Canons of The Episcopal Church (TEC) and for managing the business affairs of the Diocese. The Bishop is aided by an Executive Assistant and is further assisted in a wide variety of administrative and pastoral responsibilities by the Canon to the Ordinary. He is further assisted by the advice and counsel of the Standing Committee, which is the Board of Directors of the Corporation and, in the Bishop's absence, the Ecclesiastical Authority of the Diocese.

The Bishop's travel is extensive. Colorado is one of the largest of the dioceses in TEC, both in terms of number of congregations and in area. In addition to ordinations, installations, confirmations, other special services, pastoring and consulting throughout the state, the Bishop is canonically required to visit each church in the Diocese at least once every three years. The Bishop's travel, entertainment and business meal expenses are a reflection of this commitment. Additionally, the Bishop represents Colorado at TEC events each year, including the House of Bishops meetings.

Financial and Facilities Management			
Staff and Related Costs	\$ 120,487	\$ 124,398	\$ 130,875
Facilities Management	107,881	87,100	87,100
Insurance, Property Taxes, & Audit	48,065	52,500	55,500
Accounting Software	14,142	8,000	9,000
Other Expense	4,586	6,200	6,300
Total Finance Office and Facilities Management	<u>\$ 295,161</u>	<u>\$ 278,198</u>	<u>\$ 288,775</u>

The Finance Department is staffed by the Controller and a part time accounting assistant, who also serves as Diocesan Archivist, under the supervision of the Treasurer and working closely with the Diocesan Finance Committee. This group is responsible for stewardship of the Diocese's financial resources and the reporting of the financial condition of the Diocese and results of its operations on a regular and timely basis. It performs all accounting functions; coordinates preparation of the annual budget, the annual audit, the collection, analysis and distribution of summary, diocesan-wide information; and interpretation of financial data for the use by executive staff, Standing Committee, and other committees of the Diocese. It is responsible for property, casualty and liability insurance; coordinates real estate matters including exempt property applications and reports.

In addition to the accounting and reporting functions described on the previous page, the Finance Office manages the internal organizational support functions including building services and maintenance, mail, purchasing and telecommunications.

Diocesan Convention	<u>\$ 32,206</u>	<u>\$ 40,738</u>	<u>\$ 54,000</u>
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The Annual Convention is the primary gathering of Episcopalians in the Diocese of Colorado, providing clergy and lay leaders an opportunity to focus on the mission and work of the Church. Clergy and lay delegates pay their own travel and lodging expenses; the Diocese pays for the planning, administration, security and facilities costs.

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Expense (Continued)	2014 Actual	2015 Approved Budget	2016 Proposed Budget
Diocesan Life			
Office of the Canon to the Ordinary			
Staff and Related Costs	\$ 159,766	\$ 250,840	\$ 265,828
Legal	82,844	90,000	90,000
Retiree Benefits	(18,011)	6,350	6,700
Other Expense	8,586	7,200	7,700
Total Office of the Canon to the Ordinary	<u>\$ 233,184</u>	<u>\$ 354,390</u>	<u>\$ 370,228</u>

The Canon to the Ordinary, in addition to his own responsibilities, assists the Bishop in his administrative duties and pastoral ministries. This includes supporting the initiative and policies of the Bishop and Standing Committee, pastoral relationships with the clergy, and ecumenical initiatives and relationships. The Canon coordinates the work of the Executive Management Team, the Commission on Ministry, the Trust and Endowment Committee, and the legal work of the chancellors.

Additionally, the Canon is directly responsible for the maintenance of healthy clergy in the diocese, which specifically includes programs to develop the clergy, professionally and personally, and the management of clergy/employee benefits, including health and pension programs.

The Canon is aided in these responsibilities by an Executive Assistant and Database Manager

Communications			
Staff and Related Costs	\$ 109,718	\$ 118,801	\$ 108,113
Episcopalian	22,102	23,200	26,200
Information Systems	63,355	44,100	47,900
Communication New Initiatives	13,485	20,000	20,000
Other Expense	2,707	3,300	3,300
Total Communications	<u>\$ 211,366</u>	<u>\$ 209,401</u>	<u>\$ 205,513</u>

This department has a full time Director of Communications. Responsibilities include The Episcopalian, development and maintenance of a professional web site, assistance to other departments through the development and publication of newsletters and e-newsletters, professional representation of the Diocese to the media, and, in general, design and control of all communication tools and resources involving both internal and external communications to the diocesan staff, diocesan congregations and the greater community.

It is planned for several new communications initiatives in 2016.

Commission on Ministry	<u>\$ 14,880</u>	<u>\$ 14,800</u>	<u>\$ 15,500</u>
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The Commission on Ministry (COM) and the related Board of Examining Chaplains (BOEC) are canonically charged to assist the Bishop in determining present and future opportunities and needs for the ministry of all baptized persons. Their work includes guiding and examining postulants and candidates in training for the priesthood and diaconate and promoting the continuing education of the clergy and of lay leaders of the Church.

The COM consists of a chairperson at least three lay people and at least three clergy all of whom are appointed by the Bishop. Expenses are primarily for travel, lodging and meals for the members who must travel from the non-metro areas.

The Executive Assistant to the Canon to the Ordinary serves as a staff coordinator for the COM.

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Expense (Continued)	2014 Actual	2015 Approved Budget	2016 Proposed Budget
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Diocesan Mission

Leadership Development, Faith Formation, and Evangelism

Staff and Related Costs	\$ 63,170	\$ 290,402	\$ 301,714
Children, Youth, Young Adult Ministry	32,644	50,000	55,000
Anglican Studies	8,962	12,000	12,000
Colorado Episcopal Service Corp	1,000	10,000	25,000
Other Expense	4,990	13,000	13,000
	<u>4,990</u>	<u>13,000</u>	<u>13,000</u>
Total Leadership Development, Faith Formation, and Evangelism	<u>\$ 110,766</u>	<u>\$ 375,402</u>	<u>\$ 406,714</u>

The Faith Formation Department reflects the Bishop's commitment to the Church's Mission more clearly than any other. In 2015 a director of Faith Formation and two assistants were added to plan, execute, and oversee all Faith Formation programs including Cathedral Ridge

Support of the Wider Church

The National Church Pledge	\$ 180,056	\$ 183,653	\$ 182,970
Province VI Pledge	10,800	12,000	12,000
Colorado Council of Churches	1,500	1,500	1,500
	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total Support of the Wider Church	<u>\$ 192,356</u>	<u>\$ 197,153</u>	<u>\$ 196,470</u>

Support of the Wider Church: The pledge to the National Church is based on 10% of the estimated Diocesan pledge income. Colorado Council of Churches represents Diocesan support of Christian initiatives through the Colorado Council of Churches.

Diocesan Mission Initiatives

Oakes Home Trust Distribution			105,000
St. Francis Center	40,000	25,000	
St. Benedict Health & Healing Ministry	30,000	30,000	
32nd Ave Jubilee Ministry	35,000	25,000	
St. Clare's Ministry		2,400	
Reserve Distributions		22,600	
Houghton/Douglas Trust Distribution			
Our Merciful Savior, Denver	9,000		
Latino Ministries		15,426	16,164
Shepard-Holton Trust Distribution			20,000
Island Grove	7,155	5,400	
D-Zone	5,000		
32nd Ave Jubilee Ministry	5,000	7,500	
Brigit's Village		3,600	
St. Elizabeth's School		3,800	
Various Grants	7,910		
Jubilee Ministries Support	3,235	10,000	10,000
Other	4,813	5,000	-
	<u>4,813</u>	<u>5,000</u>	<u>-</u>
Total Diocesan Mission Initiatives	<u>\$ 147,113</u>	<u>\$ 155,726</u>	<u>\$ 151,164</u>

Diocesan Mission Initiatives include pass through grants from temporarily restricted trust and endowment accounts to the beneficiaries and variations do not affect the diocesan bottom line. Diocesan Mission Initiatives also include Jubilee Ministries to reflect the important role this program represent in the life of the Diocese. 2016 distributions have yet to be determined by the Trust and Endowment Committee in November 2015.

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Expense (Continued)	2014 Actual	2015 Approved Budget	2016 Proposed Budget
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Diocesan Mission (Continued)

Development Department

Staff and Related Costs	\$ 72,218	\$ 58,397	\$ 60,002
Consultant Fees and Expenses	185,127	60,000	70,000
Office Expenses	662	2,000	2,000
Travel & Professional Expense	19,913	3,000	3,000
Total Development Department	\$ 277,919	\$ 123,397	\$ 135,002

In 2016 the efforts will be directed solely to the Capital Campaign of Cathedral Ridge; Therefore, all costs will be reimbursed.

Congregational Development

Staff and Related Costs	\$ 228,721	\$ 239,469	\$ 244,584
Church Development Institute	36,271	30,000	30,000
Church Development Institute Revenue	(36,271)	(30,000)	(30,000)
Travel	7,850	11,000	9,000
Deployment	1,575	2,700	2,700
Regional Missioner Meetings	2,799	3,000	3,000
Other Expense	8,295	11,750	11,500
Total Congregational Development	\$ 249,241	\$ 267,919	\$ 270,784

The department works to plant and grow healthy churches by offering growth and development resources to healthy congregations, by managing and coordinating clergy transition and search, by providing consultant resources for imperiled congregations, and by developing strategic models and support for planting new and emerging congregations and ministries