



## Preface

### Stewarding our Common Resources for God's Mission

This is an important year for our bold investment into our shared ability to fund important ministries and programs for God's mission in our diocese. We are getting real and getting outside our church walls. Working together as the Episcopal Church in Colorado, we can have a tremendous impact on the lives of people across the state and beyond. We are vital. We are relevant. We are doing Christ's work in the world, responding to the Holy Spirit, and sharing the love of God with everyone we meet. Our financial gifts are as much an expression of our beliefs as our creed, our life, and our liturgy. Thank you for your generosity in making mission possible in the Episcopal Church in Colorado.



The Rev. Kimberlee Law and Lay Pastoral Leader Tamaira Terry baptize new members of the Lundin family at St. John's Episcopal Church, New Castle. Photo courtesy Jaci Spuhler.



Volunteers from The Episcopal Church of the Transfiguration, Vail, prepare meals for their Mobile Canteen Operation to support firefighters. Photo courtesy the Rev. Emily Anderson Lukanich.

We are part of a movement together, living the Way of Love and living into our baptismal covenant among the realities of today. Empowered by the Holy Spirit, we are transforming individual lives, communities, and the world. Here in Colorado, we are taking the lead in living out our baptismal covenant amid the realities of today. We are finding and becoming Beloved Community as we confront racial inequality and work for justice and healing. We are seeking to honor and protect the natural world and all of creation as we face the impact of our shifting climate. We are striving for a church that is welcoming and inclusive of people of all sexual orientations and gender identities. We

are finding ways for people to know they are beloved children of God and have meaning in their lives and not see suicide as the only way out. We are building a shared sacred space at Cathedral Ridge and lifting up our young leaders in the Episcopal Service Core, in the Journey youth leadership program, and in the transformational experiences of summer camp.

We are grateful for our shared ministry, and we are grateful for the pledges of our congregations. Stewarding our common resources and funding the operating budget ensures we are able to engage, equip, and empower God's people to love and follow Jesus.



The confirmation class of St. Peters of the Valley Episcopal Church, Basalt, clean up the river together as a service project. Photo courtesy the Rev. Wendy Huber

## Budget Narrative

By Jay Swope, Treasurer

The chief purpose of this document is to provide Diocesan Convention delegates and others with information intended to help them understand the story behind the numbers found on the following spreadsheets. This is particularly important due to the many circumstances that have disrupted our individual and collective lives in so many ways since March 2020. The 2022 proposed budget aspires to lean into recent positive developments with cautious optimism.

Before turning to the numbers and what they represent, a word is needed to describe the process by which the budget was developed. In most respects, it was the same process as in previous years; however, the format is different in many ways.

First, as to process: the annual budget cycle begins with an initial proposed draft budget based on input from the leadership and staff of the Office of the Bishop, gathered in late spring and early summer. This year additional voices were added to the chorus: in July, your elected members of the Standing Committee were canvassed and requested to weigh in on the priorities each felt were important to be taken into account in developing the 2022 budget. This initial proposed draft



budget was then reviewed by the Finance Committee, and further changes were made to reflect that input. Finally, in late August and early September, the next iteration of the proposed draft budget was presented to your Standing Committee, and further changes were made. The final proposed budget comes to the Diocesan Convention with your Standing Committee's unanimous recommendation.

Next, as to format: As you can see, the format of the budget differs greatly from recent years. The intent behind these changes is to better describe how the budget supports the direction of our life together. Previous budget presentations were organized according to departments within the Office of the Bishop. What you will see here takes more of a functional or programmatic approach.

The presentation of the budget begins with our projected income. The foundation of that is, of course, the faithful giving of the congregations that make up the Episcopal Church in Colorado, and that, in turn, is based on the generous giving of individuals and families that make up each congregation. We are very pleased to report that, as of August 2021, congregational giving to the Diocese had nearly returned to what it was at this time in 2019, so the budgeted amount for 2022 is nearly what it was for all of 2019. In addition, thanks to the foresight and endeavors of those who came before, we are blessed by a large grant from the Colorado Trusts, which it currently estimates will be \$800,000 in 2022 (like every year, we will not know the actual amount until after the first quarter). While this is better than we had budgeted for 2021, this does not fully fund decreases that we will see from other areas, chiefly fundraising (which was curtailed so as not to compete with other fundraising initiatives by congregations and other diocesan institutions) and the discontinuation of some significant government support (mainly the Payroll Protection Program).



Bishop Kym prays for the ordinands before they are vested at the 2021 Ordination at St. Michael's Episcopal Church, Colorado Springs. Photo courtesy Fred Mast.

Most of the formatting changes are on how expenses are organized and presented. Having lived into the restructuring of the Office of the Bishop staff for a year, it became clear that work could not be contained to one department and is more complex. The budget areas are now divided into Operational Expenses, Empowering Leaders, Equipping Congregations, and Engaging the World. This is not just the work of the Office of the Bishop staff, but rather our collective work as the Episcopal Church in Colorado.

In an effort to better understand how we spend our financial resources, the entire Office of the Bishop staff salaries were combined into one single line item as well as other expenses such as travel and cell phone. A total staff compensation adjustment of 3.5% (mirroring the year-to-year increase in the Consumer Price Index for all Urban Consumers for the Denver/Aurora/Lakewood

area) was added to the budget and will be administered to individual staff members as the Bishop determines. We have also included funds for a comprehensive staff compensation review for the Office of the Bishop staff to ensure salaries are consistent across similar positions within the Office of the Bishop and competitive with organizations. There is also a significant amount of money to build upon the work of our Baptismal Realities: Honoring and Protecting Creation, Becoming Beloved Community, LGBTQIA Diversity and Inclusion, Bringing Hope and Preventing Suicide.



A child watches the church service at St. Aidan's Episcopal Church, Boulder.  
Photo courtesy Sarah Sokhey.

We have also made some long-term and permanent cost adjustments that will affect our life as a Diocese. The Colorado Episcopalian, which was a printed magazine in 2019, will remain digital for the foreseeable future, which saves \$40,000 annually. One of the highest priorities expressed by your Standing Committee was the longing to return as soon as we safely can to gathering in person for worship, formation, and fellowship, and the proposed budget reflects that. Two of these gatherings—Diocesan Convention and Clergy

Conference—are significantly subsidized by our Diocesan budget. While these subsidies were reduced somewhat in the proposed budget, other funds are available to those who might need them to attend. During COVID, we learned that many meetings could be—and, indeed, given the far-flung nature of our Diocese, are best—held via Zoom or other similar technologies, and where that seemed appropriate, the proposed budget reflects that.

You will see in the "Engaging the World" section of the budget that we have increased our giving to the Episcopal Church to 14.5%, on our way to fulfilling our three-year plan (which the Executive Council extended by one year) to reach the 15% mandated by General Convention. These funds support churchwide ministries, from evangelism and church planting to caring for creation and racial reconciliation.

As you will see, the bottom line budgets a deficit of just under \$100,000, which your Standing Committee believes is reasonable under all the circumstances, including the state of our cash reserves. We all hope and pray that the aspirations of this budget will inspire all to see the value of the mission and ministries of the Episcopal Church in Colorado; and support them with your prayers and your faithful financial contributions to both the Diocese and your respective Regions.