

Proposed 2011 Diocesan Operating Budget and Fair Share Requests

The Diocesan Finance Committee met on March 11 to consider a proposed budget to present to Diocesan Convention this June. By canon, the Diocesan Finance Committee is responsible for both proposing a budget of anticipated receipts and expenditures for the ensuing year. Using the priorities previously submitted by Council and after much deliberation the Finance Committee sent its recommendations along to Diocesan Council for their consideration. Diocesan Council met on March 17 and, after further deliberation, endorsed the proposed budget which now goes before Diocesan Convention for consideration and adoption.

In light of both comment from last Diocesan Convention together with recognizing the nature of the current state of the economy, the Finance Committee once more is revising the method by which parishes are asked to support Diocesan programming through their fair shares. The proposed model continues the custom of a trailing four year average of a parish's normal operating income plus using a graduated percentage scale based upon the size of a parish's total operating budget. The proposed fair share formula asks 12% of the first \$40,000 four year average of net operating income, 14% of \$40,001 to \$80,000 four year average of net operating income and 18% of \$80,001 and above four year average of net operating income as indicated in this report. This new approach would mean that the percentage amount asked of each congregation actually would decrease from the current asking method. The hope is that it might serve as a model that will increase compliance.

On the expenditure side, two areas where there are significant increases are in the areas of Youth Minister and in congregational operating grants. The proposed budget reflects offering a half time position for youth minister. After considerable discussion at both Finance and Council, the feeling was that as much of the administration aspect of this position has now been brought in house, the other responsibilities for a youth minister now would be half time. The congregational operating grant increase is based upon that commission's request to have adequate funds available to our smaller congregations' anticipated needs in 2011. Without these increases, the overall proposed operating budget would have declined.

Communication is another area in the proposed budget that will see changes. The Communication Commission spent much of 2009 establishing communication priorities for the Diocese and exploring cost-effective ways to meet those priorities. This work, coupled with recent decisions by the national church to reduce their use of print, have led to a new emphasis on the Diocesan web site and other electronic communication as our primary method of routine communication to and from parishes and their communicants. In 2010, the Diocese began working with Digital Faith, which operates a web site service for dioceses that is used by more than 1,000 Episcopal Congregations. The 2011 budget reflects continued use of this service, as well as the publication of a thematic, quarterly print publication. These changes will alter our overall expenditures very little, but they will enable the Diocese to provide much expanded services—including individualized consultation for congregations wishing to create or improve their own web sites—to our people and parishes.

The next step in this process is for the spring convocation meetings to discuss the proposals in preparation for our Diocesan Convention in June.