

The Episcopal Diocese of Colorado

The Office of the Bishop Proposed Operating Budget for 2008

BUDGET SUMMARY	2006 Actual Results	2007 Approved Budget	2008 Proposed Budget	Percentage Change 2007 to 2008
Revenues				
Congregational Commitments	\$ 1,327,345	\$ 1,393,712	\$ 1,428,555	
Investment and Interest Income	162,955	206,931	210,489	
Grants	281,113	255,000	185,000	
Miscellaneous	38,159	23,800	17,000	
Rental Income	-	-	96,000	
Total Revenues	1,809,572	1,879,443	1,937,044	3.1%
Expenses				
<u>Canonical Ministries</u>				
Office of the Bishop	333,878	325,594	338,357	
Financial Management	312,805	322,002	296,411	
Diocesan Convention	53,652	25,500	25,500	
Total Canonical Ministries	700,335	673,096	660,268	-1.9%
<u>Diocesan Life</u>				
Office of the Canon to the Ordinary	290,145	287,257	278,709	
Communications	181,146	191,855	196,801	
Commission on Ministry	20,267	19,550	6,800	
Total Diocesan Life	491,558	498,662	482,310	-3.3%
<u>Diocesan Mission</u>				
Christian Formation: Children, Youth, Young Adults	350,154	326,556	341,192	
Diocesan Outreach	257,126	262,280	262,780	
Evangelism: Congregational Development	161,745	185,337	190,494	
Total Diocesan Mission	769,025	774,173	794,466	2.6%
Total Expenses	1,960,917	1,945,931	1,937,044	-0.5%
Net Operating Surplus (Deficiency)	\$ (151,346)	\$ (66,487)	\$ (0)	

Highlights:

The Diocesan restructuring which was first announced in November, 2004 is now complete. The budget presented to Convention in 2006 represented a major shift in focus from maintenance to mission. The budget for 2007 continued that strategy of further strengthening diocesan mission with emphasis on congregational development, communications, and faith formation.

This budget recognizes that many of the new program initiatives begun in 2006 required seed money over a multi-year time frame. This budget continues to fund those programs. The Office of the Bishop has identified new initiatives, mainly in the area of Faith Formation, costing \$143,000 that it would like to undertake if and when additional funds become available. These are not included in this budget.

This budget includes only normal legal expenses and no provision for extraordinary investigations and litigation. The Diocese expects that there will be additional, significant amounts to be approved by the Standing Committee for such expenses in 2008.

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Revenues	2006 Actual Results	2007 Approved Budget	2008 Proposed Budget
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Congregational Commitments	<u>\$ 1,327,345</u>	<u>\$ 1,393,712</u>	<u>\$ 1,428,555</u>
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Diocesan Canons 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. This Operating Budget does not include regional funding and expenses, which are administered separately by each region.

Actual congregational giving to the Diocesan Operating Budget and to the regions in 2006 averaged 6.14% and 1.68% respectively.

Investment and Interest Income

Interest Income	\$ 10,176	\$ 5,000	\$ 5,000
Investment Income-Quasi Endowment Fund	70,268	63,278	56,374
Investment Income-Camp & Conference Fund	57,418	72,611	75,181
Investment Income-Mission Strategy Fund	45,213	45,213	46,867
Investment Income-St. Anne's Fund	<u>25,094</u>	<u>20,829</u>	<u>27,067</u>

Total Investment and Interest Income	<u>\$ 162,955</u>	<u>\$ 206,931</u>	<u>\$ 210,489</u>
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Investment Income is calculated in accordance with the Total Return Distribution Policy which provides for an annual distribution of 5% of the 13 month rolling average asset value for each of the funds identified above. Income from the Quasi-Endowment Fund is used for general operating purposes. Income from the Camp & Conference Fund is earmarked for camping and other youth programs. Income from the newly created Mission Strategy Fund is designated to support the Congregational Development Department. Income from the St. Anne's Fund is used to support Diocesan Life and Mission.

Grants

Colorado Episcopal Foundation	\$ 176,113	\$ 150,000	\$ 80,000
Oakes Home Trust	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>

Total Grants	<u>\$ 281,113</u>	<u>\$ 255,000</u>	<u>\$ 185,000</u>
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The grant received from the Colorado Episcopal Foundation is used to help fund Diocesan Life and Mission.

The Oakes Home Trust makes pass-through grants to support diocesan ministries serving the health needs of the poor and needy including the St. Francis Center, the 32nd Avenue Jubilee Center, and the St. Benedictine Health & Healing Ministry. (See Diocesan Outreach for these expenses.)

Miscellaneous Income	<u>\$ 38,159</u>	<u>\$ 23,800</u>	<u>\$ 17,000</u>
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Miscellaneous Income includes prior year congregational support received after the year-end close, in-kind contributed services and other miscellaneous revenues, including net rental income from vacant properties.

The Office of the Bishop - Proposed Operating Budget for 2008

Expenses	2006 Actual Results	2007 Approved Budget	2008 Proposed Budget
Canonical Ministries			
The Office of the Bishop			
Staff and Related Costs	\$ 223,764	\$ 235,894	\$ 246,807
Travel and Other Expenses	47,073	41,200	44,350
Standing Committee/Other Committee Costs	34,053	23,000	21,700
Accruals-Lambeth, General Convention & Bishop Search	28,989	25,500	25,500
Total The Office of the Bishop	\$ 333,878	\$ 325,594	\$ 338,357

According to the Catechism in the Book of Common Prayer, "The ministry of a bishop is to represent Christ and His Church, particularly as apostle, chief priest, and pastor of a diocese; to guard the faith, unity and discipline of the whole church; to proclaim the Word of God; to act in Christ's name for the reconciliation of the world and the building up of the Church; and to ordain others to continue in Christ's ministry." The expenses of the Bishop's Office include personnel costs for the Bishop and Executive Assistant, travel and related expenses, liturgical and other administrative costs which forward this ministry within the Diocese and as part of the larger Church and ecumenical community. This budget also includes costs for the function of the Standing Committee, the Finance Committee, The Trust & Endowments Committee, Province and General Convention Deputies meetings, and the Commission on Racism.

Financial Management			
Staff and Related Costs	\$ 170,023	\$ 178,027	\$ 137,161
Facilities Management	89,555	91,400	98,900
Insurance, Property Taxes, Accounting & Audit	40,193	45,025	51,300
Other Expenses and Contingencies	13,034	7,550	9,050
Total Finance Office and Facilities Management	\$ 312,805	\$ 322,002	\$ 296,411

The Finance Department, staffed by the Controller and an accounting assistant, performs accounting, auditing and collection functions. It also provides regular and comprehensive financial reporting and analysis to the Bishop, Standing Committee and other stakeholders; is responsible for property, casualty and liability insurance; coordinates all real estate matters, including exempt property applications and reports; conducts training seminars for church treasurers and other clergy and lay leaders; and regularly disseminates information to and is utilized as a resource by the congregations, their treasurers, clergy and lay leaders. The Finance Office also manages the internal support functions: building services and maintenance, mail, office equipment, purchasing, and telecommunications.

Diocesan Convention	\$ 53,652	\$ 25,500	\$ 25,500
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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 their own travel and lodging expenses; the Diocese pays for the planning, administration, security and facilities costs.

The Office of the Bishop - Proposed Operating Budget for 2008

Expenses (Continued)	2006 Actual Results	2007 Approved Budget	2008 Proposed Budget
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Diocesan Life

Office of the Canon to the Ordinary

Staff and Related Costs	\$ 152,918	\$ 162,200	\$ 166,256
Legal, Response and Intervention	57,770	50,000	40,000
Retiree Benefits	46,192	51,757	51,570
Deployment	4,183	6,300	4,683
Clergy Retreats and Conferences	10,076	7,000	4,000
Other Expenses	19,006	10,000	12,200

Total Office of the Canon to the Ordinary **\$ 290,146** **\$ 287,257** **\$ 278,709**

The Canon to the Ordinary, supported by a full time Executive Administrator, assists the Bishop in his pastoral and administrative ministries and functions as the Chief of Staff or Chief Operating Officer. The Canon to the Ordinary also functions as the chief financial officer of the Diocese. As chief of staff this canon coordinates the work of the Executive Staff, the Commission on Ministry, the legal work of the Chancellors, and supervises the work of the Finance and Communications Departments.

The primary pastoral ministry of the Canon to the Ordinary is to facilitate the discernment, formation, and deployment of clergy to serve the congregations of the Diocese; to support congregations in transition in their search for new pastoral leadership; and to oversee the management of all clergy and lay employee benefits, including health and pension programs.

Communications

Staff and Related Costs	\$ 126,621	\$ 137,291	\$ 150,650
Episcopalian	30,740	28,564	21,076
Information Systems	19,586	16,700	16,800
Other Expenses	4,200	9,300	8,275

Total Communications **\$ 181,146** **\$ 191,855** **\$ 196,801**

The Communications Department provides regular communication to clergy and lay people throughout the Diocese through print and electronic channels. The Director of Communications and an assistant, who also serves as the office receptionist, maintain and update the diocesan web site, support other diocesan programs by producing and consulting on promotional materials, e-mails and web postings, and edit and produce the Colorado Episcopalian. The Department is responsible for all external communications and media relations and provides support and consultation for congregations about communications programs, including newsletters and web sites. The Communications Department is also responsible for managing all information technology resources for the diocesan staff.

Commission on Ministry **\$ 20,267** **\$ 19,550** **\$ 6,800**

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 needs for ordained and lay ministries; assist in recruiting and selecting persons for Holy Orders; guide and examine postulants and candidates in training for priesthood and the diaconate; provide for the guidance and pastoral care of clergy and lay persons who are in positions, paid and unpaid, accountable to the Bishop; and promote the continuing education of clergy and lay professionals employed by the Church.

The COM consists of a chairperson and ten members, five clergy and five lay, 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 Office of the Bishop - Proposed Operating Budget for 2008

Expenses (Continued)	2006	2007	2008
	Actual Results	Approved Budget	Proposed Budget

Diocesan Mission

Christian Formation

Staff and Related Costs	\$ 208,510	\$ 216,631	\$ 224,742
Children's Ministry	(3,540)	4,500	4,750
Youth Ministry	20,831	30,550	32,300
College/Young Adult Ministry	2,118	4,000	4,400
Adult Ministry	4,014	2,000	2,000
Safe Church Expenses	1,125	4,730	3,800
Summer Camp Ministry	57,549	12,250	11,650
Other Faith Formation Programs	19,860	1,500	17,300
Camp/Conference Task Force	-	15,000	-
Other Expenses	39,686	35,395	40,250
Total Christian Formation	\$ 350,154	\$ 326,556	\$ 341,192

The Office for Faith Formation provides programs and support to congregations that help individuals of all ages enter into a deeper relationship with Jesus. The staff, including the Canon for Faith Formation, the Faith Formation Administrator, and a Program Coordinator and Camp Director, work to encourage and empower local churches as they develop or enhance their own Christian formation programs, equip and train Christian formation leadership, and develop Christian programs that foster growth on the local level. The department coordinates a variety of diocesan-wide programs, including a growing summer camp program for children and youth at Trinity Ranch, Quest and Genesis youth weekends, and the Safe Church programs. This department also supports young adult and college ministry through peer ministry training and program support, and it provides support to adult formation programs and groups, including Education for Ministry (EFM), the Committee for Spiritual Direction, and Cursillo.

This canon also oversees the work of the Camp and Conference Center Task Force.

Diocesan Outreach

The National Church Pledge	\$ 126,000	\$ 129,780	\$ 129,780
Province VI Pledge	10,000	10,300	10,300
The St. Francis Center	40,000	40,000	40,000
The 32nd Avenue Jubilee Center	35,000	35,000	35,000
St. Benedict Health & Healing Ministry	30,000	30,000	30,000
Other Jubilee Ministries	3,127	4,000	4,000
Iliff School of Theology	11,617	11,500	12,000
Ecumenical Programs	1,650	1,700	1,700
Total Diocesan Outreach	\$ 257,394	\$ 262,280	\$ 262,780

Of the resources received by The Office of the Bishop, a portion is given each year to support both those in need and the work of the wider Church. The National Church Pledge and the Province VI Pledge are fixed amounts paid monthly throughout the year.

Within the Diocese of Colorado, grants are made to the St. Francis Center to support its health services to the homeless and to the 32nd Avenue Jubilee Center and the St. Benedict Health & Healing Ministry, both of which provide for health initiatives for the uninsured and underinsured in their communities. Funding is also provided to coordinate the ministries of Colorado's 14 Jubilee Ministries that provide a variety of services to those in need throughout the Diocese. The Diocese sponsors the Anglican Study Program at the Iliff School of Theology and supports the Ecumenical Programs of the Colorado Council of Churches.

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Expenses (Continued)	2006 Actual Results	2007 Approved Budget	2008 Proposed Budget
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Diocesan Mission (Continued)

Evangelism: Congregational Development

Staff and Related Costs	\$ 133,708	\$ 138,937	\$ 144,494
Church Development Institute	751	13,000	13,000
Percept Subscription	7,750	7,500	7,500
Mission Strategy Committee Expense	2,323	2,500	2,500
Congregational Development Consultants	302	2,000	2,000
Other Expenses	16,911	21,400	21,000

Total Evangelism: Congregational Development	<u>\$ 161,745</u>	<u>\$ 185,337</u>	<u>\$ 190,494</u>
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The Canon Missioner, assisted by clergy throughout the diocese, works to further evangelism, church growth and congregational development in Colorado. The Canon Missioner works with the Mission Strategy Committee to energize, support and grow the Church in Colorado through a comprehensive strategy that establishes new congregations and further develops existing congregations throughout the Diocese. The Canon Missioner also works with individual congregations at all stages of development to forward their mission by deploying a variety of resources to assist them, including: congregational development consultants, regional missionaries; Percept data; and by offering individually tailored training, facilitation and counseling services.

The Church Development Institute (CDI), a two year comprehensive leadership development program for clergy and lay leaders throughout the Diocese, is a key initiative offered through this department.