

*The Episcopal Diocese of Vermont*

*2010 Narrative Budget*



*The Mission of the Episcopal Diocese of Vermont is to pray the prayer of Christ, learn the mind of Christ, do the deeds of Christ. We envision a lively, mission-oriented church that discerns and welcomes God's call to us as a Diocese. Five interwoven themes emerge from this call:*

*Formation + Liberation + Communication + Connection + Celebration*

# THE EPISCOPAL DIOCESE OF VERMONT

## Mission Statement

**Pray the prayer of Christ,  
Learn the mind of Christ,  
Do the deeds of Christ.**

**The Diocesan Council exists to support and extend the work of the Bishop and Convention, to promote the health and well-being of the Diocese, and to lead and support the people of the Diocese in our mission.**

**To implement this, Council will:**

- 1. work to improve the quality of life in the Diocese.**
- 2. assist local congregations to hold up their faith and to be held up by it.**
- 3. create opportunities for people to celebrate, share and learn about their faith, and to experience a new life within it.**
- 4. help the Bishop and congregations to recognize challenge and marshal resources to support them in facing it.**
- 5. strive to become an agent of reconciliation.**
- 6. be faithful stewards of the financial and administrative resources of the Diocese.**

**Stewardship Statement originally adopted by Diocesan Council on June 12, 2004  
and re-affirmed annually**

**We believe** that we are called to live in loving and intentional relationship with God and all creation,

and that, as God provides abundantly for us, God expects us to respond with generosity; therefore

**We commit** to the Episcopal Church's teaching that the tithe is the minimum standard of giving;

and to an increase in our proportioned giving until we can attain that standard;

and to a course of prayer, study, and action regarding stewardship, including sharing our stewardship stories with others; and

**We invite** all people of the Diocese of Vermont to join us in this commitment to increased giving, open discussion, and ongoing transformation through worship, study, and prayer.



# The Episcopal Diocese of Vermont

September 21, 2009

Dear Colleagues in Ministry,

The Bishop and Diocesan Council faced many challenges as we set about to craft the Diocesan Budget for 2010. Rising costs, reduced income and an unstable economy all contributed to that challenge. On a more positive note, the vitality of our diocese, our congregations, and the desire to expand ministry and mission point to our faithfulness to gospel discipleship and participation in the mission of God both within and beyond our diocese.

The 2010 proposed budget continues our commitment to the Episcopal Church budget, with an increase toward the goal of fully contributing our fair share of that budget. The 2009 General Convention set 19 % of operating income (down from 21%) as a new target goal for diocesan contributions. In this proposed budget our contribution is 16.25%, so we are almost there!

Our proposed budget (the 4<sup>th</sup> draft) continues support for local and global outreach, financial and environmental stewardship development, formation, communications, ecumenism, dismantling racism, Rock Point, the Cathedral Chapter, and the various committees and commissions that are part of our diocesan life. None of these ministries is funded at the optimum level and we continue to look for additional sources of funding to support these ministries more fully.

The diocesan Ministry Support Team continues to be a strong priority for Council and yet the budget realities facing us in this and subsequent years require that we reduce our level of funding for salaries and benefits. This proposed budget provides no salary increases for the members of the diocesan Ministry Support Team and reduces the total line items for salaries and benefits by over \$45,000 (net after adjustments for health insurance increases). Looking ahead to the 2011 budget the challenge becomes even greater as costs related to our stewardship ministry come fully on line in the budget, after three years of funding from off-budget grants. Council has asked the Bishop to make the necessary reductions for 2010 and 2011 during the course of the year, and I am presently consulting about how best to do that. I will have more detail to report at Convention.

I continue to give thanks for the ongoing commitment of our congregations to contribute their fair share of our diocesan budget. I know that this has not been easy, but it is a strong sign of our dedication to one another and our common life as a diocese that we honor the pledge we make to support the budget when we adopt it at Diocesan Convention. My continuing pledge to you is that we will manage those funds well in the service of our common life and mission.

I also want to take this opportunity to welcome Wally Good to the ministry of Diocesan Treasurer. Wally has engaged his new responsibilities with eagerness, competence and a spirit of service. The time commitment for this ministry is great and we are grateful for his willingness to serve.

I look forward to greeting you at one of our Ministry Fairs and at Diocesan Convention.

Faithfully,

*+ Thomas*

Treasurer's Note to Delegates:

The following pages attempt to give you all the information you need to consider the 2010 budget recommended for your approval by Diocesan Council. Please look over this material, and bring your comments and questions to one of the pre-convention Ministry Fairs.

In 2004, the Office of Diocesan Treasurer was reinstated; Steve Smith responded to the call. He has completely revamped the Diocesan budget format and began a new budget process. After these Herculean tasks, Steve believed it was time to release the helm, resigning gracefully after last year's convention. Bishop Ely sent out a call for a new Diocesan Treasurer; in May presented me to Diocesan Council, which listened to my credentials and then unanimously approved me for this office.

Bishop Ely wished to go a step further in the development process for the 2010 Diocesan budget; the present economic climate gave us the energy, urgency and opportunity to follow his lead. Thus, he started the 2010 budget year process with a brief assessment of the anticipated revenue forecast and the further challenges he expects in the 2011 budget cycle. We believe that budgeting will now entail a multi-year framework, not just limited to the next fiscal year. Next he asked us to respond to the following three basic questions, casting assumptions aside:

1. *What is the mission and purpose of our Diocesan budget?*
2. *What are the values we want expressed in our Diocesan budget?*
3. *What are the important things we want to fund through our Diocesan budget?*

From the consensus of our responses, we established our priorities for 2010 and beyond. This evolving process involved more discussion among more people than ever before. Therefore, the 2010 Diocesan budget is built upward from a foundation defined by these priorities and projected revenues. Perhaps one might describe it as thanking God for what we have and visioning how we can *all* participate in Diocesan ministry together. The letter sent this summer with the First Draft budget briefly explained the whys and wherefores of all this; I pray you find useful this greater detail. You will notice we maintained the new budget categories established last year, being more coordinated with our Diocesan strategic plan.

The Narrative Budget that follows describes all those lines in the proposed budget that changed, in spite of generally level-funding most from the 2009 Diocesan budget. Also, some of the points noted in the narrative last year are reiterated. The narrative is designed to answer most of your questions. Please bring the rest of them to one of the forthcoming Ministry Fairs held around the state on three October Saturdays [3, 10 and 31] in preparation for the convention. Time and again, the most valuable discussions about the budget happen at these fairs.

Here are some things that strike me as most noteworthy about the budget proposed for 2010.

- ◆ The process. Bishop Ely has led us through a completely new journey and understanding of Diocesan financial stewardship. He promises to make this technique available to your individual parishes, for use in your annual budget development.
- ◆ It's balanced. Anticipated inflows equal anticipated outflows.
- ◆ Parish assessments are similar to those of 2009. The new formula, as intended, continues to produce lower increases in parish assessments than previously encountered.
- ◆ Our march toward full participation in The Episcopal Church covenant continues. General Convention 2009 voted a revision to the assessment formula from 21% to 19% of Diocesan operating income. The 2010 Diocesan budget continues to increase our support of The Episcopal Church.
- ◆ The priorities discerned by Diocesan Council that guided the 2010 budget process were:
  1. Our commitment to the larger Episcopal Church.
  2. Our support of congregations through the work of the Committee on Christian Formation, a re-visioned diocesan Ministry Support Team and progressive use of telecommunications technology.
  3. Global Outreach in support of the Millennium Development Goals at 0.7% of all Diocesan revenues; equal funding of domestic [within Vermont] outreach.
  4. Holding each of you in our prayers and consciousness, as we *all* adapt to our new economy.

Thanks to everyone who participated in this year's budget process; for allowing me to fulfill this ministry with you.

Faithfully,  
Wallace H Good, Jr, Diocesan Treasurer

DIOCESAN BUDGET DEVELOPMENT for 2010 utilized a wide-reaching process: including discerning the purpose and mission of the Diocese and its budget, stating the values we wish expressed in our prioritization and work, and gathering input from leaders involved with all aspects of Diocesan ministries. The Executive Committee and Diocesan Council are committed to building a budget collaboratively and presenting a clear vision of our evolving opportunities for ministry with a realistic picture of Diocesan financial stewardship for this 177th Convention's consideration and action.

The process began late in the spring, culminating with final budget approval by the full Diocesan Council in September. The Executive Committee of Council (whose members are chosen by their peers) served as the Program and Budget Committee. It's members this year are The Rev. Reid Farrell, Holy Trinity – Swanton, The Rev. Terry Gleeson, St. Stephen's – Middlebury, The Rev. Sr. Laurian Seeber, Christ Church – Montpelier, The Rev. Scott Neil, St. James – Arlington, Diane Rooney, Trinity – Shelburne, Helen Short, Holy Trinity – Swanton, along with Bishop Ely, Canon Bates and the Diocesan Treasurer. Early in this year's process, under Bishop Ely's leadership, we determined that even level-funding the 2009 Diocesan budget for 2010 would not yield a satisfactory, balanced budget due to declining endowment and grant income. This provided the opportunity to re-envision our priorities and assumptions, laying the groundwork for a multi-year transition to a new era of Diocesan ministry and stewardship. This year's deficit was absorbed within two broad areas representing each one's portion of the 2010 Diocesan expenses: the majority [60%] from the Diocesan staff salaries and benefit package, and the balance [40%] from all other Diocesan expenses.

This year our process included a Budget Summit attended by many diocesan leaders who have spending authority over particular programs or missions. As a group, we continued a journey we hope will lead toward ever more creative stewardship of our financial resources. The end result is this balanced 2010 Diocesan budget placed before you.

Full reports on most Diocesan programs are available in the Pre-Convention Journal and other Convention materials.

## **REVENUES**

Parish Support (Line 8) Episcopal congregations provide over 2/3 of the total revenues needed to support the mission, programs, and general administration of our Diocese. In 2006 your Convention approved a new assessment formula, the first since 1992. That formula defined a flat rate assessment of 15% for all congregations and a cap of 10% on annual increase in assessment for any parish. Parishes had five years, now two, to convert from the old formula to the new one; 38 of our 48 congregations have converted to date.

One objective of this new formula is to slow the overall increase in diocesan assessments, and so far it is succeeding, as there is no net increase in 2010 over 2009. The increase in 2009 over 2008 is 2%; 2008's over 2007 was 3%. This compares with increases of 6% in 2005 and 7% in 2004.

There are two changes from 2008 in how parish support is budgeted. First, there is no provision for shrinkage on account of non-payment. The faithful commitment of our congregations to participate and pay fully their share of parish support for diocesan activities is a defining and envied characteristic of the Diocese of Vermont. Second, the Cathedral's assessment for 2010

(\$93,177) is shown gross; in 2008 and prior years it was shown net of an amount paid by the Diocese to the Cathedral for use of its facilities. An offsetting expense now appears in Line 93.

Appendix B shows parish support by individual congregations for 2010. The final figures for each congregation are subject to further review and adjustment based upon timely and accurate Parochial Report and financial audit data. There is an appeal process available through the Oversight and Audit Committee.

Trust Revenues – (Lines 9,10) The Unit Fund is a diocesan investment fund under the direction of the Trustees of the Diocese. Most diocesan and parish trust and endowment funds are invested in the Unit Fund. Distributions are received quarterly at a rate determined by the Trustees, currently 1.25% of the average market value of assets over the prior twelve quarters. A subsidiary of the firm of Hickock & Boardman has provided investment management services to the Trustees since October 1, 2006. Since then fund performance has generally exceeded relevant market indices. Trust revenues are shown in the proposed budget as restricted and unrestricted.

Trust Revenues - Unrestricted (Line 9) includes income that is available for any purpose from the Diocesan Endowment Fund and other investments held in trust for benefit of the Diocese.

Trust Revenue-Restricted (Line 10) has donor-designated instructions regarding how earnings on these assets must be used. These revenues help fund items noted in the budget as “Supported by Line #10” or “SBL #10.” Restricted funds included in Line 10 are these:

- The *Aged and Infirm Clergy Fund* for the benefit of older clergy.
- The *Bryant Fund* for helping small parishes that cannot support full-time clergy.
- *Campus Ministry* restricted for the benefit of University of Vermont campus ministries.
- The *Episcopal Fund*, which defrays compensation and associated expenses of the Bishop.
- The *Permanent Fund for Human Needs* used for outreach grants to food and warmth programs.
- The *Seminarian Fund*, for defraying educational costs for those from Vermont seeking Holy Orders.
- The *Wilder Fund*, which has been used at the Bishop’s discretion to cover maintenance expenses, particularly salary and benefits for maintenance staff.

Grants and Support for Stewardship Development Position (Line 13) This position is fully funded for its first three years (2008-2010) through grants from the Hunt Fund (around \$50,000 for 2008) and from withdrawals of principal currently invested in the Diocesan Unit Trust; 2010 is the final year of this commitment. Incorporating and budgeting for this position within the 2011 Diocesan budget without this line of support will present a significant financial challenge.

Grants Supporting the Ministry Support Team (Line 14) The work of the ministry developers is partially funded by a grant from the Lilly Foundation for \$10,000.

Other Income – Mountain Echo Contributions (Line 15) Until 2009, the Mountain Echo was funded in part through annual contributions from you and other readers through a special annual ingathering. This mechanism of income generation is terminated in the 2010 budget and beyond.

Support from Funds Available to the Bishop (Line 17) is graciously increased by Bishop Ely during this transition year of re-visioning our Diocesan mutual ministry.

## EXPENSES

### **1. THE EPISCOPAL CHURCH**

Episcopal Church Covenant (Line 20) The Episcopal Church budget, adopted at General Convention every three years, is funded primarily through support from the 108 dioceses that make up The Episcopal Church (TEC). In 2012, General Convention's assessment formula is resetting to 19% of Diocesan operating income. Diocesan Council continues to be committed to increasing our percentage annually until we reach 19%. Our actual dollar increase in support over last year is \$7450.

Province I Assessment (Line 21) is comprised of the Dioceses of Maine, New Hampshire, Massachusetts, Western Massachusetts, Rhode Island, Connecticut, and Vermont. The Provincial decision-making body is its Synod, made up of elected representatives from each Diocese. The Province facilitates networking among a variety of ministries and leaders in the seven dioceses. There are gatherings of people engaged in dismantling racism, environmental issues, deployment, safe church education, youth and social ministries, as well as diocesan administrators and finance personnel. We intend to fully meet our commitment in 2010.

Provincial Synod Deputies' Expense (Line 22) Previously budgeted amounts (\$300 in 2009) have covered a very small percentage of deputy's actual expenses; this is deleted in 2010.

Oversight & Audit (Line 23) Annual audit of diocesan finances is required by national canon. The Oversight & Audit Committee selects and contracts with the independent auditor, and it receives and reviews the audit report. Recent accounting changes may create future savings. The projected expense is generally in line with that for other organizations the size and complexity of our Diocese. Auditing is complete through 2006; with 2007 scheduled for completion soon.

Reserve for General Convention (Line 106 and 107) General Convention met in Anaheim, California in 2009. This line supports travel expenses for our deputation to attend. The balance in the reserve at the end of 2009 will be dissolved. These items return to **9. APPROPRIATIONS**.

### **2. OUTREACH**

Continuing in the 2010 budget is the bifurcation of our diocesan outreach and social justice initiatives into two categories, Domestic and Global, enabling better tracking of our compliance with the 2005 Diocesan Convention resolution embracing the Millennium Development Goals. Both lines are now equally funded and more fully described below.

Outreach and Social Justice – Global (Line 27) We have resolved to invest 7/10ths of 1% of our diocesan budget to Millennium Development Goals. The Global Reconciliation Committee identifies and determines gifts to organizations, programs and causes directly supporting some such as Cristosal and the Global Aids Initiative, or providing matching funds for your individual parish's initiated projects.

Outreach and Social Justice – Domestic (Line 28) This committee, in collaboration with subcommittees and local parishes, works to enhance our voice for social justice. Causes supported in prior years have included the Upper Valley Interfaith Project, Vermont Interfaith Action, affordable elderly housing, children's advocacy, the Vermont Campaign to End

Childhood Hunger, fuel assistance, the Vermont Low Income Advocacy Council, and Camp Agape, the latter serving Vermont children with incarcerated parents. Supported in part by Line 10.

The diocese also provides help for those in need in many other ways including through the McClure IV outreach initiatives, the Bishop's Discretionary Fund and through local congregations.

### **3. MINISTRY SUPPORT TEAM**

The personnel costs associated with the diocesan Ministry Support Team (dMST) comprise the largest [60%] portion of the Diocesan budget. Diocesan Council continues to make funding of the dMST a priority.

Currently, the full time members of the dMST are the Bishop, Canon to the Ordinary, Minister for Stewardship Development, Financial Administrator, Executive Assistant, and Administrative Assistant; part-time members of the dMST are four Ministry Developers, the Communications Minister, and the Office Receptionist. The Diocesan Registrar and Historiographer serves as a volunteer member of the dMST.

Seven members of the dMST have their primary office at Rock Point, while six members work from other locations in the Diocese. The full team meets together quarterly for continuing education and sharing. The Bishop, Canon, Stewardship Minister, Communications Minister and Ministry Developers meet monthly in different locations around the diocese for the purpose of coordinating their ministry to and with congregations and to support one another in various ministries. All members of the dMST have direct contact with congregations, committees, commissions and institutions of the diocese. All members of the dMST serve to support and encourage the mission and ministry of the diocese at the local level and beyond. The broad range of expertise and experience represented in this team is a key asset for our diocese. The team is here to support the ministry of the diocese as that ministry is carried out on the local, deanery, diocesan and national levels.

Diocesan Historiographer (Line 31) does research for various Diocesan Officers and is organizing, preserving, and restoring diocesan history. Many volumes have been restored and de-acidified to date. This budget line is for supplies and the costs of restoration. The time Elizabeth Allison, Diocesan Registrar and Historiographer, spends on these projects is truly a gift to our Diocese.

Personnel-Salaries and Benefits (Lines 32 and 33) Line 32 reflect a reduction in total personnel salaries and benefits from 2009 of over \$45,000 in order to produce a balanced budget. The bishop is working to distribute these reductions, and once final determination is made, Appendix A will be made available. Supported in part by Lines 10, 13 and 14. The total reflects an anticipated 8% growth in healthcare plan costs.

Companions (Line 34) Seven Companions work in collaboration with the Ministry Developers. The Companions' ministry includes working with congregations in transition, enhancing and supporting leaders within the congregations, assisting in discerning and forming local ministry support teams and guiding and supporting the development of connections between baptismal ministries and the ways of living daily life. The money budgeted helps to provide on-going training for the Companions.

Assimilation of Minister of Stewardship Development Expenses (Lines 39, 44, 46 and 47) These lines are adjusted to realistically account for the office support expenses incurred by the addition of this position within the dMST.

Telecommunications (Line 48) This line's increase demonstrates our investment in enhanced efficient communications.

#### **4. COMMISSION ON MINISTRY**

The Commission on Ministry plays a key role in life of our Diocese, including: a) assistance in the understanding that all baptized persons are called to minister in Christ's name, to identify their gifts with the help of the Church and to serve Christ's mission at all times and in all places; and b) assistance in understanding that all baptized persons are called to sustain their ministries through commitment to life-long Christian formation.

Seminarians (Line 51) is supported in full by Line 10.

Committee on Christian Formation (Line 52) helped to develop the program for this Convention. The Committee on Christian Formation assists congregations with resources and training for lay ministries, promotes continuing education and life-long Christian formation for persons of all ages, and helps to discern and equip baptismal vocations. This line increased due to its priority in Diocesan financial stewardship.

The Committee on Discernment (Line 53) works with and supports individuals and congregations involved in discernment processes involving vocations to ordained ministries.

#### **5. ECUMENISM**

Campus Ministry (Line 57) Our share of the cost for Cooperating Christian Ministry (CCM) at the University of Vermont is fully funded by earnings on restricted funds included in Line 10. The Cooperative Christian Ministry at the University of Vermont (UVM) is a welcoming and inclusive Christian presence serving all Protestants, as well as seekers and inquirers. The ministry seeks to build spiritual community, create safe and engaging environments for reflection, discussion, and action, and nurtures connections between faith and daily life. Its ministry is highly ecumenical and is sponsored by six mainline Protestant denominations: American Baptist, Episcopal, Lutheran, Presbyterian, United Church of Christ, United Methodist. CCM is dedicated to serving as a stimulus for the spiritual journey of UVM's students, staff, administration, and faculty and as a voice of conscience within the university community. CCM does this regardless of gender, ethnicity, race, sexual orientation, age, religion, and able-bodiedness.

VT Ecumenical Council & Bible Society (Line 58). Eight member denominations affirm their support for the ecumenical movement: for Christian unity and its visible expression in common life, witness and vision. This organization creates the only regular meeting in Vermont of these denominational executives and representatives. Unfortunately, the Roman Catholic Diocese of Burlington has recently withdrawn its membership.

## 6. INSTITUTIONS

Brookhaven (Line 62) is an Episcopal sponsored residential and day primary education center for boys in distress; received full funding from the State of Vermont for 2010. Therefore, its board requested we continue our prayerful support, but without a financial contribution in 2010.

Bishop Booth Conference Center (Line 63) now includes the Diocesan grant for the Center's Rock Point Summer Camp program, which is budgeted for \$15,000 on this line. BBCC operated with a deficit in 2007 and 2008; as support to BBCC, Diocesan Council has provided an interest-free secured line of credit of \$150,000, which has been partially repaid, leaving a balance of \$85,000. This money still exceeds the total appropriated cash reserve of the Diocese; expenses normally defrayed by these funds must now be paid from present year operating cash.

## 7. PROGRAM MINISTRIES

Cathedral Chapter (Cathedral without Walls) (Line 66) The Chapter strives to serve as a model for innovation in liturgy and Christian formation, and as a catalyst for new initiatives. The "Cathedral without Walls" program includes the Christian Meditation Center which supports Christian Meditation Days and weekly groups throughout the Diocese, a school for meditation teachers, and various conferences. Other examples of the diverse programs and activities are a guest preacher program, music and arts events such as Taizé Evening Prayer, the African Children's Choir, and various other conferences and retreats.

Communications (Line 67) In 2010 the Mountain Echo will be published only four times. The basic cost for printing and mailing is approximately \$7.00 per household. The cost of the Mountain Echo is *no longer* partly offset by subscription revenues raised by this committee and previously shown in Line 15, which is now terminated. Our award-winning Communications Minister, Anne Brown, will be taking a well earned sabbatical; utilizing her educational component to gain further training in web-based technology.

Living Stones Partnership (Line 68) The Living Stones Diocesan Partnership is dedicated to providing mutual support for dioceses engaged in developing baptismal ministry. The Living Stones dioceses gather annually to share ideas, support, critique, and learn from one another.

Accessibility Committee (Line 69) continues to work on ways to make our parishes and missions more welcoming to all people. This diocesan resource is a place where new ideas, insights, and practical solutions can be studied and offered to all of our parishes. As another example of creative financial stewardship, this committee routinely finds alternative funding and materials resources.

Dismantling Racism Commission (Line 70) helped develop the program for this Convention. The Commission's work includes identifying or creating and administering programs to foster an inclusive, diverse, anti-racist diocese. The Commission has embraced the idea of funding in two-year cycles of "low" years focused mainly on planning activities and "high" years focused mainly on implementation.

Fresh Start (Line 71) supports newly called priests and their congregations, providing program materials and facilitated meetings to create successful partnerships and to ease transition issues.

Retired Clergy (Lines 72-74) are supported by earnings from the Aged & Infirm Fund's endowment, which is restricted to this purpose. The cost of providing medigap insurance and supplemental pensions to retired clergy has declined because of attrition in the population of retired priests and spouses receiving these benefits. As a result the earnings from this Fund are now adequate to fully fund Lines 73-74 and to provide support for the Chaplaincy to the Retired (Line 72).

Committee on Environment (Line 75) is a newly established committee resulting from the theme and action of last year's Convention.

Treasurers & Wardens Workshop (Line 78) The budgeted amount will help provide updated resources for these annual workshops, including Vestry Handbooks and updated Treasurer and Audit Committee Handbooks.

## **8. DIOCESAN STRUCTURE**

Rock Point Board (Line 83) and Rock Point Property Manager (Line 84) The Board oversees the protection and maintenance of the Rock Point buildings and grounds and the operation of the Bishop Booth Conference Center. They are funded in part by endowment earnings restricted for that purpose, but those earnings are never adequate to cover all the expenses the Board must incur in fulfilling its mission. Construction of new sewer lines is an example of the sort of expenses faced by the Board. This grant from the diocesan budget helps the Board to balance their own budget. The Diocesan budget also pays compensation and benefits expense for the Rock Point Property Manager.

Committee Meetings (Line 89) is a previously unfunded line, but now has priority, as we envision utilizing telecommunications technology for improve efficiency, effectiveness and wider participation for every Diocesan committee.

Standing Committee (Line 91) will conduct a Diocesan Ministry Review with Bishop Ely in 2010, requiring increased expenditures for consultants and documentation.

Use of Cathedral Facilities (Line 93) The Diocese makes use of the Cathedral's facilities, with attendant costs for utilities, set-up and take-down, and the like. For many years it has paid the Cathedral \$6,000 annually to help defray these costs. Prior to 2009, budgets have simply deducted the \$6,000 from the Cathedral assessment and shown the net amount in Appendix B. This budget continues the change implemented last year; includes the full Cathedral assessment (\$93,177) in Parish Support (Line 8) and the offsetting expense in this Line 93. The net impact on the diocesan budget is zero.

## **9. APPROPRIATIONS**

Lines 104-114 We set these amounts aside to build funds for large expenses that do not occur on an annual basis. This allows us to spread these costs evenly over several budget years. As explained in the Bishop Booth Conference Center (Line 63), these cash reserve funds were exhausted to create the operating loss secured interest-free loan to the BBCC. There are mechanisms for partial repayment, if these reserves are required in any quarter.

**THE EPISCOPAL DIOCESE OF VERMONT 2010 Budget as Recommended by Diocesan Council 9-19-09**

<b>LINE</b>	<b>REVENUES</b>	<b>TOTAL 2009 BUDGET</b>	<b>Proposed 2010 Budget</b>	<b>COMMENT</b>
8	Parish Support for Diocesan Ministry	849,717	869,715	
9	Trust Revenues - Unrestricted	140,712	116,844	
10	Trust Revenues - Restricted	54,943	47,928	
11	Administrative Support - Unit Fund	15,000	15,000	
12	Support from the Hunt Fund	15,000	15,000	
13	Grants/Support for Stwdship Dev. Pos.	110,000	110,000	<i>3rd year of three-year funding commitment.</i>
14	Grants for Ministry Support Team	20,000	10,000	<i>Lilly Foundation \$10,000</i>
15	Communications (Mtn Echo Contributions)	8,000	-	
16	Bank Interest Income/Other Donations	3,000		
17	Support from Funds Available to the Bishop	15,000	27,288	
18	<b>TOTAL REVENUES</b>	1,231,372	1,211,775	
	<b>EXPENSES</b>	<b>TOTAL 2009 BUDGET</b>	<b>Proposed 2010 Budget</b>	<b>COMMENT</b>
19	<b>1. The Episcopal Church (TEC)</b>			
20	The Episcopal Church Covenant	161,077	168,527	<i>Approximately 16.25% of re-calculated GC 19% commitment</i>
21	Province I Assessment	6,715	7,224	
22	Provincial Synod Deputies' Expense	300	-	
23	Oversight & Audit	12,500	12,500	
24				
25	<b>Total TEC</b>	180,592	188,251	
26	<b>2. Outreach (OUT)</b>			
27	Outreach & Social Justice - Global Reconciliation MDG	8,619	8,500	<i>0.7% of revenue per Convention resolution.</i>
28	Outreach & Social Justice - Domestic	10,900	8,500	<i>Supported in part by Permanent Fund for Human Needs (L10)</i>
29	<b>Total OUT</b>	19,519	17,000	
30	<b>3. Ministry Support Team (MST)</b>			
31	Diocesan Historiographer	3,400	3,400	
32	Personnel - Salaries	502,715	470,823	
33	Personnel - Benefits	196,569	209,994	<i>Est. 8% health insurance increase, 2009 employee changes in health plans</i>
34	Diocesan Companions Training	850	850	
35	Continuing Ed - Bishop	1,200	1,200	
36	Deployment	4,335	4,335	
37	Professional Development - Ministry Support Team	3,800	3,800	
38	Travel & Meetings - Bishop	11,881	11,881	
39	Travel & Meetings - Ministry Support Team	35,044	40,000	<i>Supported in part by Bryant Fund (L10)</i>

		<b>TOTAL 2009 BUDGET</b>	<b>Proposed 2010 Budget</b>	<i>COMMENT</i>
	<b>EXPENSES (cont'd.)</b>			
40	Computer Technology & Equipment Costs	2,000	2,000	
41	Equipment Purchase - Office Equipment & Technology	2,550	2,550	
42	Insurance - Diocesan Workers' Comp	4,604	4,604	
43	Management Information System	2,000	2,000	
44	Office Supplies & Expenses	8,500	16,000	
45	Payroll Service Fees	1,800	1,800	
46	Postage	4,250	4,000	
47	Printing	850	1,700	
48	Telecommunications	6,800	10,000	<i>Increase use of teleconferencing to avoid travel expense</i>
49	<b>Total MST</b>	793,147	790,937	
50	<b>4. Commission on Ministry (COM)</b>			
51	Seminarians	2,095	1,812	<i>Supported in full by Seminarian Fund (L10)</i>
52	Committee on Christian Formation (COM:CCF)	8,500	10,000	<i>EFM License (1500); Resource Ctr. (1000); CE (2500); Youth Ministry (2000)</i>
53	Committee on Discernment (COM:COD)	3,500	3,500	
54	<b>Total COM</b>	14,095	15,312	
55	<b>5. Ecumenism (ECU)</b>			
56	Episcopal Ecumenical Assessment	200	200	
57	Campus Ministry	8,712	7,450	<i>Supported in full by Campus Ministry Fund (L10)</i>
58	VT Ecumenical Council & Bible Society Support	4,200	4,200	<i>Future Uncertain</i>
59	Diocesan Ecumenical Officers	-		
60	<b>Total ECU</b>	13,112	11,850	
61	<b>6. Institutions (INS)</b>			
62	Brookhaven	1,000	-	
63	Bishop Booth Conference Center (BBCC)	25,000	15,000	<i>Contribution to summer camp program (15,000); No BBCC Subsidy for operations</i>
64	<b>Total INS</b>	26,000	15,000	
65	<b>7. Program Ministries (PRO)</b>			
66	Cathedral Chapter (Cathedral Without Walls)	2,500	2,500	
67	Communications (The Mountain Echo)	27,450	12,000	<i>Re-evaluate communication strategies</i>
68	Living Stones Partnership	2,500	2,000	
69	Accessibility	250	-	
70	Dismantling Racism Commission	2,000	2,000	
71	Fresh Start	2,500	2,000	
72	Chaplain to the Retired Clergy	2,700	2,700	<i>Supported in full by Aged &amp; Infirm Fund (L10)</i>
73	Retired Clergy Medigap Insurance	10,000	7,150	<i>Supported in full by Aged &amp; Infirm Fund (L10)</i>
74	Retired Clergy Pension Supplements	4,200	4,200	<i>Supported in full by Aged &amp; Infirm Fund (L10)</i>
75	Committee on Environment	-	500	
76	Safe Church Training	2,500	2,000	
77	Stewardship Committee	1,000	1,000	
78	Treasurers & Wardens Workshop	500	500	
79	<b>Total PRO</b>	58,100	38,550	

		<b>TOTAL 2009 BUDGET</b>	<b>Proposed 2010 Budget</b>	
	<b>EXPENSES (cont'd.)</b>		<b>COMMENT</b>	
80	<b>8. Diocesan Structure (STR)</b>			
81	Episcopal Relief & Dev. Coordinator Expense	700	700	
82	UTO Coordinator Expense	300	300	
83	Rock Point Board	8,000	8,000	
84	Rock Point Property Manager	53,042	55,575	<i>Includes estimated health insurance increase</i>
85	Utilities - Dio Office/Bishop's House/Prop Mgr	28,000	30,000	<i>Supported in part by Institute Fund (L10)</i>
86	Insurance - Diocesan Property/Liability/Auto	5,115	5,600	<i>Supported in part by Concord Fund (L10)</i>
87	Dispatch of Business	3,400	3,400	
88	Diocesan Chancellor	850	850	
89	Committee Meetings	-	2,000	<i>Use of technology for Committee Meetings</i>
90	Legal Fees	-		
91	Standing Committee	700	1,500	<i>Diocesan Ministry Review due in 2010</i>
92	Subscriptions and Dues	1,500	1,500	
93	Use of Cathedral Facilities	6,000	6,000	<i>Cathedral assessment (L8) and usage cost now shown gross.</i>
94	<b>Total STR</b>	<b>107,607</b>	<b>115,425</b>	
95	<b>9. Appropriations (APP)</b>			<b>Estimated Reserve Balances at 12/31/09</b>
96	Reserve - Bishop's House Maintenance Fund	750	1,500	750
97	Reserve - Bishop's Vehicle	2,500	2,000	3,819
98	Reserve - Episcopal Election Expenses	2,000	2,000	26,250
99	Reserve - Ecclesiastical Court	100	100	3,050
100	Reserve - Lambeth Conference	500	500	500
101	Reserve - Legal Expenses	650	650	6,162
102	Reserve - DMST Sabbatical Fund	100	100	8,587
103	Reserve - Office Equipment/Technology	1,000	1,000	6,000
104	Reserve - Triennial Deployment Conference	350	350	2,960
105	Reserve - Triennial EYE	1,000	1,000	4,407
106	Reserve - Dio Youth - General Convention	250	250	0
107	Reserve - Triennial General Convention +ECW	10,000	10,000	0
108	<b>Total APP</b>	<b>19,200</b>	<b>19,450</b>	
109	<b>TOTAL EXPENSES &amp; APPROPRIATIONS</b>	<b>1,231,372</b>	<b>1,211,775</b>	
	<b>BUDGET SUMMARY</b>	<b>BUDGETED 2009</b>	<b>PROPOSED 2010</b>	
110	<b>TOTAL REVENUES</b>	<b>1,231,372</b>	<b>1,211,775</b>	
111	<b>TOTAL EXPENSES &amp; APPROPRIATIONS</b>	<b>1,231,372</b>	<b>1,211,775</b>	
112	<b>SURPLUS (DEFICIT)</b>	<b>(0)</b>	<b>-</b>	

**EPISCOPAL DIOCESE OF VERMONT**

Year 2010 Budget

**APPENDIX B**

**ESTIMATE**

		<b>2009</b>	<b>2010</b>
<b>TOWN</b>	<b>PARISH</b>	<b>SUPPORT</b>	<b>SUPPORT</b>
ALBURGH	ST.LUKE'S	1,220.00	1,220
ARLINGTON	ST.JAMES'	17,981.00	18,178
BARRE	GOOD SHEPHERD	9,339.00	6,822
BELLOWS FALLS	IMMANUEL	35,756.00	35,878
BENNINGTON	ST.PETER'S	29,054.00	31,959
BETHEL	CHRIST CHURCH	5,903.00	5,797
BRANDON	ST.THOMAS & GRACE	12,808.00	14,089
BRATTLEBORO	ST.MICHAEL'S	44,446.00	48,891
BURLINGTON	ST.PAUL'S CATHEDRAL	95,466.00	93,177
CANAAN	ST.PAUL'S	748.00	762
CASTLETON	ST.MARK'S	4,409.00	4,850
CHESTER	ST.LUKE'S	18,800.00	17,392
COLCHESTER	ST.ANDREW'S	19,210.00	18,759
ENOSBURG FALLS	ST.MATTHEW'S	3,948.00	4,343
ESSEX JCT	ST.JAMES'	29,621.00	32,583
FAIRLEE	ST.MARTIN'S	13,769.00	13,290
HARDWICK	ST.JOHN'S	11,046.00	10,150
ISLAND POND	CHRIST CHURCH	1,997.00	2,197
KILLINGTON	OUR SAVIOUR	4,497.00	4,917
LYNDONVILLE	ST.PETER'S	1,723.00	1,895
MANCHESTER	ZION	68,100.00	74,162
MIDDLEBURY	ST.STEPHEN'S	35,382.00	36,424
MONTPELIER	CHRIST CHURCH	33,045.00	36,350
NEWPORT	ST.MARK'S	11,714.00	12,885
NORTHFIELD	ST.MARY'S	11,640.00	12,804
NORWICH	ST.BARNABAS'	21,828.00	24,011
POULTNEY	ST.JOHN'S	2,365.00	2,601
PROCTORSVILLE	GETHSEMANE	2,073.50	2,281
RANDOLPH	ST.JOHN'S	16,179.00	15,142
RICHFORD	ST.ANN'S	405.00	405
RUTLAND	TRINITY	44,824.00	36,710
SHELBURNE	TRINITY	45,456.00	50,002
SHELDON	GRACE CHURCH	914.00	1,005
SO.BURLINGTON	ALL SAINTS'	13,130.00	13,679
SPRINGFIELD	ST.MARK'S	8,345.00	9,180
ST.ALBANS	ST.LUKE'S	22,897.00	18,291
ST.JOHN SBURY	ST.ANDREW'S	4,864.00	5,350
STOWE	ST.JOHN'S	14,308.00	15,739
SWANTON	HOLY TRINITY	35,179.00	35,917
UNDERHILL	CALVARY	5,066.00	5,573
VERGENNES	ST.PAUL'S	7,697.80	8,468

**EPISCOPAL DIOCESE OF VERMONT**  
**Year 2010 Budget**  
**APPENDIX B continued**

WAITSFIELD	ST.DUNSTAN'S	7,217.00	7,939
WELLS	ST.PAUL'S	2,598.00	2,858
WILMINGTON	ST.MARY'S	5,024.00	5,024
WINDSOR	ST.PAUL'S	7,642.00	8,406
WOODSTOCK	ST.JAMES'	34,587.00	34,547
WRJ	ST.PAUL'S	24,396.00	26,813
		848,617.30	869,715

\* No Parochial Report Received

**NOTE: 2010 Assessments are Subject to Change**