

Diocese of Oregon Preliminary Program Budget for 2023

Diocesan Vision Statement

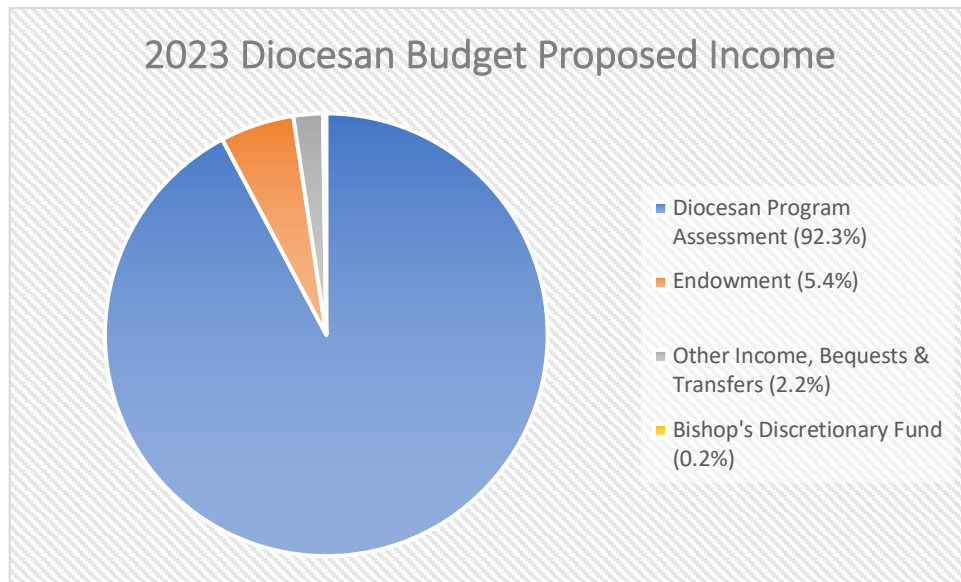
Gathered in the love of God in Christ and accepting of diversity, the Diocese of Oregon actively nourishes renewal and growth, cares for creation, and values the unique gifts of all as we encourage innovation to meet the needs of the 21st century church. We ground our lives in Anglican worship while connecting ourselves to the wider church and world.

The Process of Budget Development

The proposed program budget for 2023 was developed by Bishop Akiyama, diocesan staff and program leaders throughout the diocese. The initial draft budget and budget narrative was approved by Diocesan Council on June 11, 2022 and was then circulated to the convocations. After receiving feedback from the convocations, the budget and narrative were revised and resubmitted to Diocesan Council for approval in September 2022. The final proposed budget and narrative will be posted on the diocesan web site at least 45 days prior to the diocesan convention and discussed and approved at the convention.

Line by Line Narrative of 2023 Proposed Budget

INCOME



Line 1: Diocesan Program Assessment (DPA) – \$1,981,615

This income line is the chief operational funding source for the ministries of the diocese. The projected DPA reflects the estimated revenue following the Canonical formula, less the anticipated amount of DPA relief granted by Council, and projected non-payment by congregations.

Line 2: Episcopal Endowment Fund – \$115,000

In the 1880s (shortly after the Diocese of Oregon was established), diocesan leaders established a restricted endowment fund to support the expenses of maintaining a bishop. The compensation and expenses of the bishop are paid first from this endowment fund. The Board of Trustees voted in September 2020 to fully fund the total compensation package for the 11th Bishop of Oregon from these restricted funds for 2021 and 2022. In 2023, proceeds from this endowment will partially fund the bishop's compensation and expenses.

Line 3: Triangle Lake Camp Endowment - \$13,600

When the Triangle Lake Camp was sold, the proceeds were used to create an endowment, with a corpus of \$1,196,570, to fund camping ministry in the Diocese. Income from the endowment will be used to fund a Youth Ministry Commission Camping Event in Eastern Oregon in 2023.

Lines 4, 5 and 8: Interest Income (Deposits, Mission Trust Fund, and Platt Bequest) - \$13,750

These are funds received from trusts and bequests for the use in the general program budget.

Line 6: Bishop's Discretionary Fund - \$5,199

Bishop Akiyama has contributed these funds in order to balance the 2023 budget.

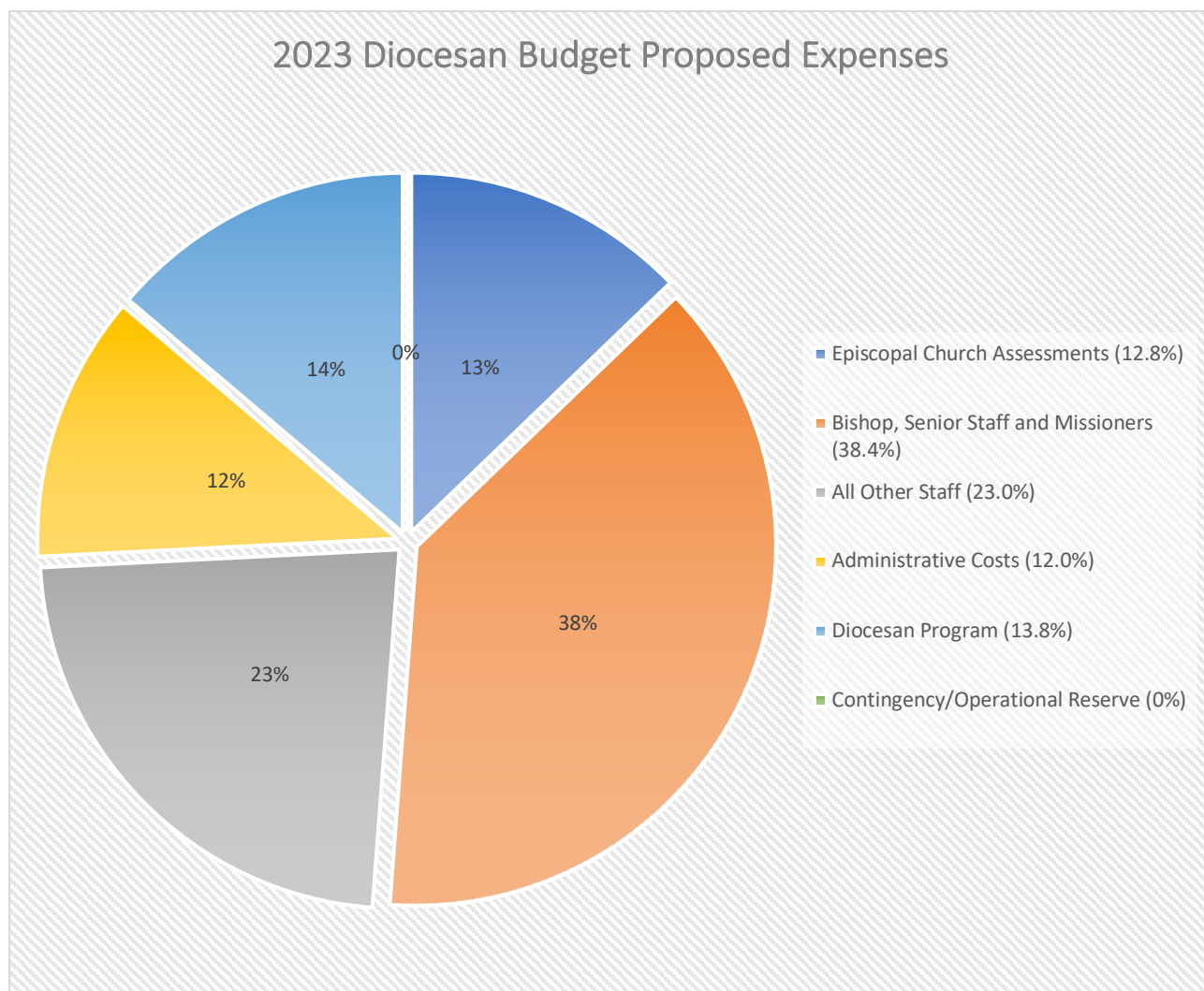
Line 7: EBOF Grant to Support the Missioner for Racial Reconciliation - \$18,915

Line 9: Other Income and Transfers – -\$0-

There are no funds being transferred into the Program budget for 2023

Line 9A: Total Income –\$2,148,082

EXPENSES



EPISCOPAL CHURCH ASSESSMENTS

Line 12: Episcopal Church Program Commitment – \$275,106

This amount represents our assessment for the common life of the Episcopal Church. It is calculated at 15% of 2022 income above \$140,000. Please note: Since we do not yet have audited numbers for 2020, the actual assessment may change.

Line 13: Province VIII Program Support – \$-0-

No money is designated to support Province VIII program in 2023. Province VIII of the Episcopal Church consists of nine hundred congregations within seventeen Western US Dioceses and the Navajoland Area Mission. Its aim is to encourage collaboration to strengthen ministry throughout Province VIII through training workshops, online video conferences, retreats, and personal connections with peers among the diocese and their congregations. More information can be found at: <https://www.provinceviii.org/About%20Us/history.html>. Currently Province VIII is in the

process of reorganization and Bishop Akiyama has decided to wait until that process is completed before supporting the organization financially.

Line 14: Subtotal Episcopal Church Assessments - \$275,106

DIOCESAN OFFICE

Diocesan Staff Salary, Benefits and Expenses

Benefits include medical, dental and life insurance, employer taxes, and pension. COLA is calculated at 3.5% for all staff. Medical benefits are calculated on an annual increase of 5%. Dental insurance will increase by 1% in 2023. Differences in benefits may render the final amount either more or less than a 3.5% increase over last year.

Line 17: Bishop, Salary and Benefits - \$217,399

Line 18: Bishop Expenses - \$23,000

This includes expenses related to the performance of the office of the bishop and are not paid directly to the bishop. Expenses include travel, lodging, cell phone, auto lease, conferences, and miscellaneous other expenses.

Line 19: Missioner for Thriving Congregations, Salary and Benefits - \$139,869

Line 20: Missioner for Thriving Congregations, Expenses - \$15,700

This includes expenses related to the performance of the office of Missioner for Thriving Congregations. Expenses include travel, lodging, cell phone, conferences. It also includes expenses related to congregational vitality work (formerly Line 53).

Line 21: Missioner for Lifelong Formation, Salary and Benefits - \$135,183

Line 22: Missioner for Finance and Assets, Salary and Benefits - \$138,480

Line 23: Administrator of Accounts Payable and Payroll, Salary and Benefits - \$105,023

Line 24: Administrator of Accounts Receivable, Investments and Insurance, Salary and Benefits - \$91,734

Line 25: Executive Assistant to the Bishop, Salary and Benefits - \$103,096

Line 26: Administrative Assistant, Salary and Benefits - \$105,566

Line 27: Missioner for Special Projects

This position ends 12/31/2022

Line 28: Communications Director, Salary Benefits - \$87,822

Line 29: Missioner for Racial Reconciliation, Salary and Benefits(.25FTE) - \$18,918

Racial Reconciliation is a priority area in the long-term plans being developed for the diocese. The plan is to increase the time for the Missioner for Racial Reconciliation when funds are available. Currently this position is funded quarter time through a three-year EBOF grant for the Engaging Racial Justice Working Group. Additional funds will be sought from sources within the National Episcopal Church and other outside sources.

Monies (including grants) received from outside the Diocesan Budget are accounted for by the entity giving the money. For example, the Episcopal Bishop of Oregon Foundation (EBOF), which is separate from the Diocese, has its own Board. When grants are made from EBOF, the reporting requirements are set out at the time the grant is made and the Board monitors the funded activities. The EBOF Board, chaired by Bishop Akiyama, is writing a new mission statement. It is an evolving entity. The role of the Foundation as a source of funds for redevelopment activities is being defined. The resources that are available will focus on helping congregations and other affiliated organizations to adapt to serve their future needs. EBOF is described at:

<https://ecwo.org/ebof/>.

One of the current funding areas is: **Affiliated Organization Grants**, which seek to fund affiliated organizations so that ministry spreads beyond the confines of the churches of the diocese and the diocese itself. Applications in this area could come from such organizations as the Prison Ministry, Oregon Episcopal School, William Temple House, and other 501.c.3 organizations with an affiliation to the diocese. The next two application deadlines are August 31 and November 30, 2022. Awards will be announced on October 15, 2022 and January 15, 2023. There are no plans to change the application process at this time.

Line 30: Westside Missioner (.5FTE), Salary and Benefits - \$64,245

Line 31: Eastside Missioner (.5FTE) - \$-0-

This position ends in 2022 since the Missioner has left the Diocese for a different position. The congregation at Holy Cross will be supported by existing staff in the short term. Funds will be found to sustain Holy Cross during 2023 and efforts are being made to recruit a new Latino Missioner. Going forward Bishop Akiyama is looking at different approaches to emerging communities rather than using the same model. Discussions are starting with the Lutheran church to partner in meeting needs both in the Latino community and other emerging communities.

Line 32: Part-time Missioner (.25FTE), not funded by the Diocese

Line 33: Missioner for Latino Ministries (.5FTE), Salary and Benefits - \$72,779

Line 34: Subtotal Diocesan Staff - \$1,318,815

Administrative Costs

These costs include services provided on contract, building maintenance, and expenses relating to IT, communications, and finance.

Line 37: Diocesan Administrative Services - \$25,074

Includes copying, printing, hospitality and events, office supplies, postage. Telephone and internet services have been transferred to Line 40, Communication Expense.

Line 38: Diocesan IT Services- \$43,500

Includes computer software and hardware, and professional IT services. In 2023, purchasing of all computers and computer accessories will be part of the IT budget. For 2023 the plan is to replace the finance department desktop computers with better quality laptops. The bulk of the IT budget goes to a retainer fee for diocesan IT services which are outsourced to Kelley Connect.

Line 39: Bishop's Close Building Expenses - \$33,500

Includes utilities, cleaning services, and building maintenance and repair.

Line 40: Communications Expense - \$37,500

Includes social media use, copying, printing, web site design and maintenance, licenses and fees, web hosting fees, supplies, postage, conferences and continuing education. This line is increased in 2023 due to diocesan office phone and internet costs being transferred to the Communication Department budget. The amount is a reflection of the expense of past several years. However, in 2023 we plan to consolidate the two Comcast contracts, which will lower the cost.

Line 41: Finance Department Expense - \$118,100

Includes accounting software fees, property and liability insurance, payroll processing fees for congregations, annual audit, and continuing education and conferences.

Line 42: Subtotal Administrative Costs - \$257,674

Line 44: Subtotal Diocesan Office (Staff and Administrative Costs) - \$1,576,489

DIOCESAN PROGRAMS

In general, missions and programs will be funded through the Diocesan Budget if they are congruent with the evolving goals of the diocese. Funds are not inexhaustible, so budget requests will need to be prioritized.

Line 46: Education for Ministry – \$2,000

EfM is a theology program delivered as distance education by the School of Theology of the University of the South. Under the guidance of trained mentors, students cover the basics of a theological education in the Old and New Testaments, church history, liturgy, and theology. The Diocese of Oregon is a member, which reduces tuition for participants and offers additional training and support for mentors who lead EfM groups. This line item pays the diocesan membership fee and assists the diocesan coordinator with office expenses and participation in national coordinator training events.

Line 47: Commission on Liturgy and Music – \$-0-

Expenses for this group have been consolidated under Line 55 (Diocesan Commission and Working Group Travel and Expenses).

Line 48: Ministry of Lifelong Formation – \$-0-

This program has been consolidated under the Commission on Ministry (Line 68).

Line 49: Required Church Trainings – \$6,500

This line item now includes Diverse Church Training in addition to Safe Church Training. Online Safe Church courses are now the primary means of providing Safe Church training in the diocese. The online training is free to individuals and subsidized by the Church Pension Group.

The Diverse Church Training model of the Episcopal Church is designed to facilitate awareness, confession, and reconciliation regarding racism, past and present. The goal of the Diocesan appointed “Engaging Racial Justice Working Group” is to develop practices that challenge (and ultimately eradicate) racism both within ourselves and in our world in order that we will become God’s Beloved Community.

Line 50: Stewardship Working Group – \$-0-

This line has been removed from the 2023 budget at the request of the bishop.

Line 51: Youth Ministry Commission – \$-0-

Expenses for this commission have been consolidated with Line 55, (Diocesan Commission and Working Group Travel and Expenses)

Line 52: Cursillo Event Space – \$-0-

Cursillo is a clergy-supported lay ministry of the Episcopal Church, designed to promote leadership within the Church. A secondary outcome is a renewal and rejuvenation of faith among those who participate. No funds have been requested for 2023.

Line 53: Congregational Vitality Support – \$-0-

Expenses for this activity have been consolidated under Line 20 (Missioner for Thriving Congregations Expenses)

Line 54: Latino Ministry: Commission Expense – \$17,000

Includes general operating costs associated with conducting Latino ministries. Programs include workshops, a youth camp, pastoral partnerships, discernment, and promoting Latino activities in congregations.

Line 55: Diocesan Commission and Committees Travel & Expenses – \$20,400

Most of the expenses in diocesan activities are borne by the participants or their congregations. This line item will ensure support for the participation in any diocesan commission, working group, or committee meeting where additional support may be needed. Expenses incurred by the Commission on Liturgy and Music (Line 47), Youth Ministry Commission (Line 51), Recovery Working Group (Line 79) and the Poverty and Homelessness Working Group (formerly Line 78) are now a part of this budget line. Expenses will be a paid on a reimbursement basis.

Ministry with youth is a high priority in our diocese and in the Episcopal Church. Funds will be used to support diocesan-level efforts to renew and reform middle and high school youth ministry, and to consider pathways and connections into college-age ministry. This effort is co-led by Chris Craun+ and Derek Moyer+.

Requested funds will be used to support the creation and formation of communities of practice that will lead youth ministry, service, formation, and evangelism.

\$13,600 will be used to fund a Youth Ministry Commission camping event in Eastern Oregon in 2023. Currently, discussions are ongoing with Bishop Bell of Eastern Oregon to plan a combined youth event at Ascension School in Cove, Oregon.

Line 56: Diocesan Convention – \$28,820

To cover expenses for the 2023 annual diocesan convention, assuming that this will be an in-person event and that a registration fee will be charged to partially offset the cost.

Line 57: Ministry in Higher Education Oregon State University – \$40,477

The OSU Campus Ministry has grown, allowing it to have official 'student group' status and the ability to have a stronger presence on campus. This ministry also receives significant support and involvement from the Church of the Good Samaritan in Corvallis.

Line 58: Ministry in Higher Ed., Portland Metro Episcopal Campus Ministry – \$0

The chaplaincy position for the Portland State University campus is currently vacant. Bishop Akiyama is working to radically reimagine the program and create a mission team. Money from the PSU Campus Ministry Reserve Fund could be made available for limited future programming. Future funding may not come directly from the Program Budget. An EBOF grant was used to support a Beloved Community project at PSU and the results need to be evaluated.

Line 59: Ministry in Higher Education University of Oregon – \$42,300

This ministry, which is a ministry of St Mary's Episcopal Church, is located in Eugene near the University of Oregon campus, and also serves students at Lane Community College. Up to five students live in the Episcopal Campus Ministry House during the school year. A student community of house residents, and any others who wish to join them, gather for weekly dinner and worship, followed by study. In addition, ECM operates a food bank open to all college students in the Eugene/Springfield area.

Line 60: Ministry in Higher Education Western Oregon University – \$2,500

Western Compass Campus Ministry in Monmouth is an ecumenical ministry (Episcopal, Methodist, and Presbyterian) operating under the auspices of the Wesley Center (Methodist). The ministry is small but growing and offers vital engagement with the community through weekly dinners and outreach projects, especially in the area of suicide prevention. The level of funding for 2023 will be in line with the amount provided by the other churches involved.

Line 61: Retiree Life Insurance – \$800

Provides funds for life insurance policies covering retiring clergy with 20 or more years of service and retiring diocesan lay staff with 10 or more years of service.

Line 62: Retiree Medical Insurance – \$30,000

Provides coverage for those spouses of retired clergy who have not yet reached the age of 65 at the time of the retirement of their clergy spouse. (The clergy spouse must have served 20 years or more within the diocese.) It is also for diocesan staff who have at least 10 years of service and retire from the Diocese of Oregon.

Line 63: Episcopal Transition (Transfer to Reserve) – \$10,000

A budgeting commitment to create a reserve fund for the expenses associated with the transition to the next bishop.

Line 64: Lambeth Conference (Transfer to Reserve) – \$1,500

This conference, held in the UK, is attended by Anglican/Episcopal bishops from around the world and the current estimated cost to attend is \$25,000. In 2023, \$1,500 will be put into reserves to help cover the cost of future Lambeth Conferences. Since Bishop Akiyama was unable to attend the Lambeth Conference this year, much of the reserve funds were not used. The need to transfer money to this reserve fund in future years will be determined when the 2024 budget is built.

Line 65: General Convention Deputies (Transfer to Reserve) – \$10,000

Over three years, a reserve account accrues funds to assist our lay and clergy deputies (four each) and alternate deputies (one lay and one ordained) to attend the General Convention. A General Convention will be held in 2022, so this money will be put in reserve for the next General

Convention. Since the General Convention was held one year late, there is already \$10,000 in the reserve fund from 2022 and the \$10,000 in the 2023 budget will be added to this amount.

Line 66: Episcopal Church Women Triennial (Transfer to Reserve) –\$850

This line item allows for funds to accrue over three years for assisting our ECW representatives who attend the ECW Triennial. The next General Convention will be held in 2022. Since the ECW Triennial was held one year late, there is already \$850 in the reserve fund from 2022 and the \$850 in the 2023 budget will be added to this amount.

Line 67: Diocesan Clergy Events – \$8,500

These events are mandatory for all active clergy serving in the diocese and include the Clergy Conference and Renewal of Vows. Costs to the diocese include use of meeting space, cost of meals, as well as travel and an honorarium for a conference leader.

Line 68: Commission on Ministry – \$52,540

This budget now incorporates several other budgets that were separate lines in the 2022 budget: Commission on Ministry-Ordained; Commission on Ministry-Baptized; Academy for Formation and Mission; Ministry of Lifelong Formation; and Ordinations Expense. In FY2022, these budgets totaled \$37,561.

We are combining these budgets to reflect the revised organizational and formational structure that we are pursuing at the diocesan level.

Commission on Ministry is responsible for providing leadership, resources, strategy, and practice-building for discernment and formation in the diocese, both supporting diocesan level discernment and formation, and developing and resourcing formational practices in our communities. The scope of this responsibility includes supporting the bishop in the calling and formation of priests and deacons, and their ongoing formation.

Funds will be used to create accessible communities of practice to sustain ongoing discernment of all kinds; facilitate and maintain diocesan discernment communities; re-vision and create new diaconal and priestly formational communities; develop, support, and resource community-level discernment and formation; accompany nominees, postulants, and candidates in their discernment and formation for ordination.

Requested funds will specifically be used to support educational programs, materials, and facilitators; for discernment and formation gatherings throughout the diocese; for expenses related to formation for holy orders, ordination, and continuing education; for diocesan resources to organize and form formational leaders, other lay leaders, COM, and other diocesan groups in developmental work.

Here is a presentation describing the development work in the next year, focusing on discernment:

<https://sway.office.com/lm8PNpfvGr04e6qV?ref=Link>

Funds will be used to support the creation of diocese-wide practices, which will be designed for accessibility anywhere in the diocese. Anyone interested in discernment, with the support of their community, will be invited to participate. Discernment and formation practices are all-diocese-focused, so the whole diocese is served, directly or indirectly, through this work.”

Line 69: Commission on Ministry – Baptismal Ministry – \$-0-

This program has been consolidated under the Commission on Ministry (Line 68).

Line 70: Thriving Leaders for Clergy and Congregations – \$12,800

Formerly Fresh Start, this is a two-year program for clergy who are entering a new ministry in the diocese, and for lay leaders in the congregations they serve.

Line 71: Academy for Formation and Mission – \$-0-

This program has been consolidated under the Commission on Ministry (Line 68).

Line 72: Ordination Expense – \$-0-

This program has been consolidated under the Commission on Ministry (Line 68).

Line 73: Congregational Leadership Training - \$4,000

Funds for travel and other related expenses for diocesan-wide workshops providing ongoing formation for congregational leaders, including vestries, treasurers and wardens.

Line 74: Engaging Racial Justice Working Group - \$-0-

Diverse Church Training used to be provided by this group, but is now included in Required Church Trainings, Line 49. These funds will support the new work in the diocese focusing on developing and planning programs that engage the diocese in confronting racism and being reconciled.

This working group has a three-year EBOF grant for \$75,000. Approximately \$16,000 of that will have been spent in 2022; and quite a bit more will be spent on the .25 FTE Missioner for Racial Reconciliation as well as various activities that are being planned. If further funds are needed, they may be provided through Line 55 (Diocesan Commission and Working Group Travel and Expenses).

Line 75: Ecumenical and Interfaith Working Group (includes Ecumenical Ministries of Oregon membership) – \$4,000

These funds support diocesan ecumenical activities, including membership in and support for Ecumenical Ministries of Oregon, a statewide organization intended to bring together Oregon's diverse faith community, a strongly held value in the diocese.

Line 76: Episcopal Relief and Development (ERD) Coordinator adding Local Disaster – \$1,500

These funds allow reimbursement for limited administrative and travel expenses for the diocesan ERD coordinator to represent the ERD throughout the diocese, and for developing local disaster preparedness workshops.

Line 77: Ministry in Prisons – \$-0-

This ministry comprises several semi-independent ministries to specific prisons, jails and halfway houses located in the diocese. The ministry includes providing a pastoral presence, skill building, worship and spiritual development. The ministry also hopes to touch and educate the members of every parish through diocesan media, bulletin inserts, Criminal Justice Sunday, and speakers. It also includes work on criminal justice reform and improving administration and quality of justice in Oregon. Bishop Akiyama is removing funding from this program and will ask Diocesan staff to work with the program leaders to encourage them to apply for an EBOF grant. See Line 29 for a description of the EBOF funding mechanism.

Line 78: Poverty and Homelessness Working Group – \$-0-

This group has been consolidated under Line 55 (Diocesan Commission and Working Group Travel and Expenses). Thanksgiving offerings that have traditionally been collected and distributed by this working group will now be collected and distributed by Diocesan Council working with the Housing Crisis Working Group. Council will be setting up a process in consultation with leaders of the Housing Crisis Working Group.

Line 79: Recovery Working Group – \$-0-

Expenses for this group have been consolidated under Line 55 (Diocesan Commission and Working Group Travel and Expenses).

Line 80: William Temple House – \$-0-

William Temple House is a counseling and social service agency historically affiliated with the Episcopal Diocese of Oregon. Funds are used to support the Food Pantry, free or low-cost counseling services, and a new program that helps clients navigate social services and community resources. Funding for this program is currently being granted by a separate EBOF grant. This line has been removed as it is not part of the diocesan operations. See Line 29 for a description of the EBOF funding mechanism.

Line 81: Subtotal Diocesan Programs – \$296,487

Line 82: Contingency/Operational Reserve – \$-0-

It is fiscally advisable to budget for a reserve each year for unexpected declines in income, emergencies or emerging ministry needs which require immediate response. The Diocese targets a minimum of 1.5-2.0% of projected expenses per year for contingency and reserve, until a reserve of 25% of annual expenses is reached. In 2023 the projected set aside is 0% of proposed expenses.

Line 83: Total Expenditures – \$2,148,082

Line 84: Net Program Budget Surplus (Deficit) – \$-0-