

Diocese of Oregon Proposed Program Budget for 2024

THE MISSION OF THE CHURCH

What is the mission of the Church?

The mission of the Church is to restore all people to unity with God and each other in Christ.

How does the Church pursue its mission?

The Church pursues its mission as it prays and worships, proclaims the Gospel, and promotes justice, peace, and love.

Through whom does the Church carry out its mission?

The church carries out its mission through the ministry of all its members

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

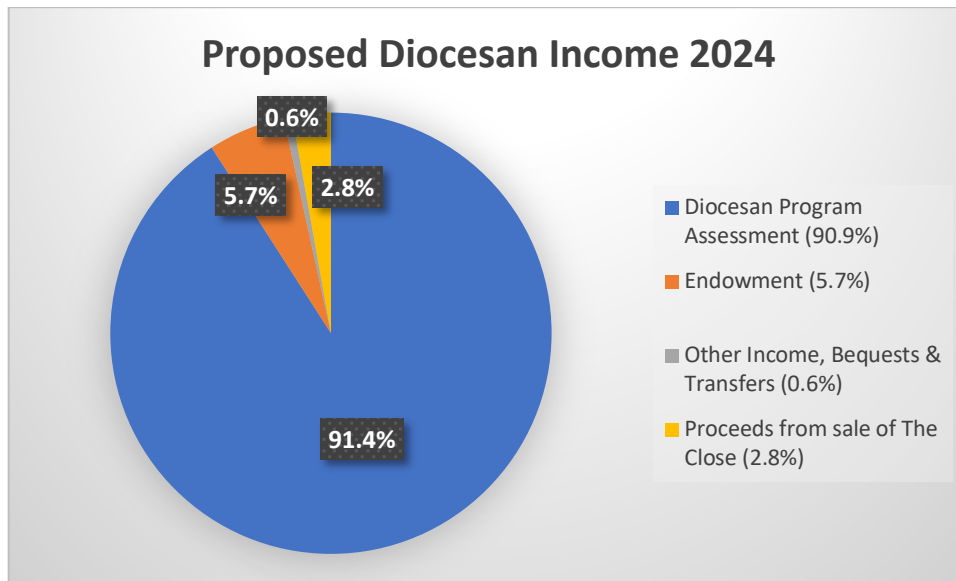
The Process of Budget Development

The proposed program budget for 2024 was developed by Bishop Akiyama, diocesan staff, and clergy and lay leaders throughout the diocese. The initial draft budget and budget narrative were approved by Diocesan Council in August, 2023 and then circulated to the convocations. After receiving feedback from the convocations, the budget and narrative were revised and resubmitted to Diocesan Council for approval on September 30, 2023. The final proposed budget and narrative is posted on the diocesan web site at least 21 days prior to the diocesan convention and presented and approved at the convention. While the Canons stipulate posting the budget 45 days before convention, for the 2024 budget the time was reduced to 21 days with the permission of the Bishop and the Chancellor. This is a one-time experiment that will be evaluated after the convention.

The budget spreadsheet shows the proposed budget for 2024, the actuals for 2021, the budget and actuals for 2022, the budget for 2023 and a column comparing the proposed 2024 budget with the approved 2023 budget.

Line by Line Narrative of 2023 Proposed Budget

INCOME



Line 1: Diocesan Program Assessment (DPA) – \$1,987,664

This income line is the chief operational funding source for the administration and 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. In 2024, proceeds from this endowment will partially fund the bishop's compensation and expenses.

Line 3: Triangle Lake Camp Endowment - \$8,500

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 Latino Youth Camping Event in 2024 (see Line 49).

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

Designated funds from trusts and bequests are used for the general program budget. Interest income is \$6,000, income from the Mission Trust Fund is \$5,000, and from the Platt Bequest is \$2,250.

Line 6: Bishop's Discretionary Fund - \$0

No funds are being transferred to the diocesan operating budget in 2024.

Line 7: EBOF Grant to Support Missioner for Racial Reconciliation - \$0

This position will be funded from the general operation budget in 2024.

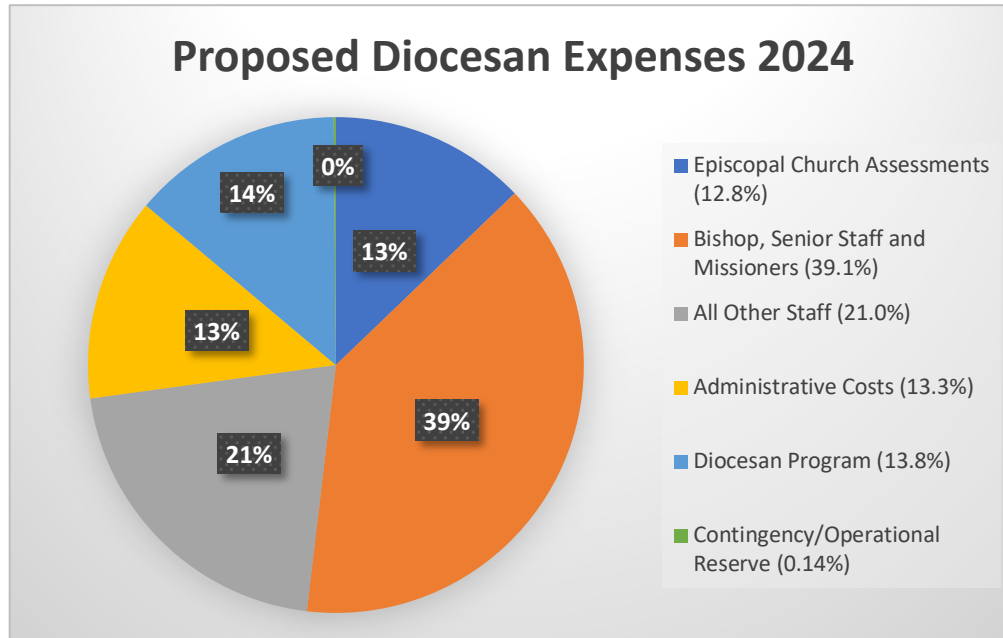
Line 9: Other Income and Transfers

There are no other income and transfers in the 2024 budget.

Line 10: Proceeds from the sale of The Close to offset ECWO Office Rental Expenses – \$61,440
(See line 39 for more detail.)

Line 11: Total Income –\$2,186,354

EXPENSES



EPISCOPAL CHURCH ASSESSMENTS

Line 14: Episcopal Church Program Commitment – \$277,150

This amount represents the ECWO diocesan assessment for the common life of the National Episcopal Church. It is calculated at 15% of 2023 income above \$140,000. Please note: Since we do not yet have audited numbers for 2023, the actual assessment may change.

Line 15: Province VIII Program Support – \$3,280

ECWO is asked to contribute 0.15% of estimated income for 2024. Province VIII of the Episcopal Church consists of nine hundred congregations within seventeen Western US Dioceses and the Navajoland Area Mission. More information can be found at: <https://www.provinceviii.org/About%20Us/history.html>.

Line 16: Subtotal Episcopal Church Assessments - \$280,430

DIOCESAN OFFICE

Diocesan Staff Salaries, Benefits and Expenses

All positions are 1.0 FTE unless otherwise noted. Benefits include medical, dental and life insurance, employer taxes, and pension. COLA is calculated at 4.5% for all staff. In 2024, medical benefits are calculated on an annual increase of 5% and dental insurance is calculated on an increase of 1%. Differences in benefits may render the total compensation either more or less than a 4.5% increase over last year.

Line 19: Bishop - \$227,199

Line 20: Bishop Expenses - \$38,000

This includes reimbursable 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 21: Canon to the Ordinary (formerly Missioner for Thriving Congregations) - \$149,409

Line 22: Canon to the Ordinary Expenses - \$10,315

This covers reimbursable expenses for Canon to the Ordinary activities, including continuing education, travel, lodging, cell phone, car, meals, professional dues, and conferences. Other expenses relating to this position are recorded in line 65 (Thriving Leaders), and line 66 (Thriving Congregations).

Line 23: Canon for Lifelong Formation - \$139,126

Line 24: Canon for Finance and Property - \$97,923

Line 25: Administrator of Payroll and Benefits (0.5 FTE) - \$46,520

Line 26: Staff Accountant (Accounts Receivable, Investments, and Insurance) - \$109,930

Line 27: Administrator of Accounts Payable (0.5 FTE) - \$31,023

Line 28: Executive Assistant to the Bishop - \$109,972

Line 29: Administrative Assistant - \$72,743

This position supports the Canon to the Ordinary and the Missioner for Lifelong Formation.

Line 30: Communications Director - \$88,314

Line 31: Missioner for Racial Reconciliation (0.5 FTE) - \$50,401

Line 32: Westside Missioner (0.5 FTE) – Moved to Latino Ministry Expense Line 49

Line 33: Missioner for Latino Ministries (0.5 FTE) - \$75,099

Line 34: Subtotal Diocesan Staff - \$1,312,171

Administrative Costs

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

Line 37: Diocesan Administrative Services - \$21,074

Includes copying, printing, hospitality and events, office supplies, postage. Telephone and internet services have been transferred to Line 38, Diocesan IT Services.

Line 38: Diocesan IT Services- \$70,000

The IT Budget has increased significantly from 2023 to 2024. The monthly cost of our IT services has increased by about \$100 per month. We have moved all printer and phone expenses from Communications to IT. We have switch phone providers from Comcast to Kelley Connect, and started a new contract for internet when we relocated our offices. We moved all software subscriptions required for the staff (Zoom, Adobe, etc.) from Communications to IT. We included all potential hardware upgrades or requirements for the staff in the IT budget. While this is a significant increase in one department, it is a consolidation of all IT expenses into one line.

Line 39: ECWO Building Expenses - \$61,440

The Diocesan Office now includes locations in the Portland Metro area (Milwaukie) and in Coos Bay, plus a storage facility for Diocesan records. Rental cost for the Milwaukie office is \$4,000 per month and includes utilities. The storage facility costs \$120/month. The total per year for both Milwaukie facilities is \$49,440. Rental for the Coos Bay building is \$900/month and average utilities cost \$100/month. The total annual cost is \$12,000. Rental costs for these facilities in 2024 will be offset by income from the sale of The Bishop's Close. This has been approved by the Board of Trustees. The net income from the sale of The Close was \$4.262 million. The Trustees have the responsibility of investing the proceeds which will be applied to the new permanent location which is yet to be determined.

Line 40: Communications Expense - \$18,000

The Communications Budget has decreased by more than half from 2023 to 2024. Several budget items have been moved from Communications to the IT budget (Line 35), such as the phones, computer software, and computer hardware for the staff. All IT and software related items for the whole staff are now under the IT budget. Any additional software for our diocesan website, newsletters and communication, faith community website support and hosting, and video/photography editing software remain under the Communications budget. This is to re-establish the Communications department as a resource for the diocese and allow the Director of Communications to have a clearer sense of the budget for the work of the department.

Line 41: Finance Department Expense - \$119,800

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 - \$290,314

Line 44: Subtotal Diocesan Office (Staff and Administrative Costs) - \$1,602,485

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.

Working groups, commissions and other groups appointed by the bishop have been consolidated into line 51. Therefore, some lines that were shown in the 2021 and 2022 budgets are not shown in this version of the budget. However, these lines are still included in the column sub-totals for 2021-3.

Line 46: Education for Ministry, Sewanee – \$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. There are approximately 50 students in any year, in six different groups.

Line 47: Required Church Training - \$4,000

These funds will cover expenses for Safe Church training and Anti-Racism training.

Line 48: Cursillo - \$2,807

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. Funds will be used to partially fund a three-day Cursillo weekend in 2024.

Line 49: Latino Ministry Expense - \$84,197

Includes general operating costs associated with conducting Latino ministries. Programs include workshops, a youth camp (funded by the Triangle Lake Camp Endowment), pastoral partnerships, discernment, and promoting Latino activities in congregations. It also includes the cost of funding two part-time positions in Spanish speaking congregations (previous line for Westside Missioner 0.5 FTE).

Line 50: Youth Ministry - \$12,800

Includes costs for hospitality, meals and entertainment for youth events and a \$10,000 set-aside to help fund youth attending the 2026 Episcopal Youth Event (EYE).

Line 51: Diocesan Commission & Working Group Travel & Expenses- \$11,800

This line item ensures support for the participation in any diocesan commission, working group, or committee meeting where additional support may be needed. Expenses will be a paid on a reimbursement basis. Working groups supported include Recovery, Liturgy and Music, Engaging Racial Justice, Housing Crisis, Creation Care, Task Force on Trans and Binary Persons, Task Force for Truth and Reconciliation, Universal Health Care Task Force, and Task Force on Palestinian Human Rights.

Line 52: Diocesan Convention – \$30,000

The plan is to hold an in-person convention in 2024. Costs will be partially offset by delegate fees.

Line 53: Ministry in Higher Education Oregon State University - \$49,704

The OSU Campus Ministry is a shared ministry between the diocese and the Church of the Good Samaritan in Corvallis. Roughly 20% of the current request is for renovation of Canterbury House, which suffered flooding two years ago.

Line 54: Ministry in Higher Education Portland State University - ON HOLD

The diocese is committed to campus ministry while also being aware that the traditional approaches to this ministry are no longer serving today's college students. We are, therefore, reimagining campus ministry as a whole.

Line 55: Ministry in Higher Education University of Oregon - \$42,300

This ministry is shared between ECWO and St Mary's Episcopal Church, located in Eugene near the University of Oregon campus.

Line 56: Ministry in Higher Education Western Oregon University – No funds have been requested for 2024

Western Compass Campus Ministry in Monmouth is an ecumenical ministry (Episcopal, Methodist, and Presbyterian) operating under the auspices of the Wesley Center (Methodist). The Campus ministry at WOU did not apply for funds for 2024.

Line 57: Retiree Life Insurance - \$1,000

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 58: Retiree Medical Insurance - \$25,000

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 59: Episcopal Transition Reserve - \$10,000

A budgeting commitment to create a reserve fund for the expenses associated with the transition to the next bishop. The goal is to have enough money in hand at the time that the Diocese seeks a new Bishop.

Line 60: Lambeth Conference (Transfer to Reserve) – \$1,500

This conference, held in the UK roughly every 10 years, is attended by Anglican/Episcopal bishops from around the world and the current estimated cost to attend is \$25,000. In 2024, \$1,500 will be put into reserves to help cover the cost for the Bishop to attend future Lambeth Conferences. The last Lambeth Conference was held in 2022, but the date of the next conference has not yet been announced.

Line 61: General Convention Deputies (Transfer to Reserve) – \$15,000

This reserve account accrues funds to assist our lay and clergy deputies (four each) and alternate deputies (one lay and one ordained) to attend the Episcopal General Convention. Funds in reserve will be used for the next General Convention, which is planned for 2024. Expenses are reimbursed out of the reserve fund as needed.

Line 62: Episcopal Church Women Triennial (Transfer to Reserve) –\$1,000

This reserve account accrues funds to assist ECW delegates to attend the Episcopal Church Women triennial, which is held concurrently with the General Convention. Funds in reserve will be used for the next ECW Triennial, which is planned for 2024. Expenses are reimbursed out of the reserve fund as needed.

Line 63: 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 include use of meeting space, meals, as well as travel and an honorarium for a conference leader.

Line 64: Commission on Ministry – \$47,900

Funds will 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, Commission on Ministry, and other diocesan groups in developmental work. Emphasis in 2024 will be on the diaconal program.

Line 65: Thriving Leaders - \$6,450

Formerly Fresh Start, this is a two-year program for clergy who are entering a new ministry in the diocese.

Line 66: Thriving Congregations - \$9,050

Funds will be used for a Clergy Leadership Day, Vestry/BAC training, and congregational development.

Line 67: Congregational Leadership Training - \$-0-

Formerly treasurer and warden training, activities funded by this line are now incorporated into Line 66 (Thriving Congregations).

Line 68: Ecumenical and Interfaith Working Group (includes Ecumenical Ministries of Oregon membership) - \$-0-

In 2024 Ecumenical Ministries of Oregon membership dues will be paid from the Bishop's Discretionary Fund, at the direction of the Bishop.

Line 69: Episcopal Relief and Development (ERD) and Local Disaster Coordinator - \$1,500

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

Line 70: Subtotal Diocesan Programs - \$300,311

Line 71: Contingency/Operational Reserve - \$3,128

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 2024 the projected set aside is 0.14% of proposed expenses.

Line 72: Total Expenditures - \$2,186,354

Line 73: Net Program Budget Surplus (Deficit) – \$-0-