

Letter from the Diocesan Council

Convention members,

This document represents the second year of our new budget timeline. It includes 2011 budget requests by programs, as well as anticipated revenue from these programs. Early revenue assumptions include flat revenue from assessments in 2011, and a 3% increase in restricted investment income. Assessment income is based on parochial reports from congregations; the deadline to submit parochial reports was February 1; as of February 18, 16 of 97 had been received. By April most parochial reports should be received and assessment income will be updated accordingly.

The new budget timeline is as follows:

<i>January</i>	• <i>Gather budget requests from programs/commissions</i>
<i>February/March</i>	• <i>Publish first draft of 2010 budget (program requests, this document)</i> • <i>Regional Ministries invited to provide input on first draft through winter meetings</i>
<i>April 22</i>	• <i>Budget & Finance further discusses and refines 2011 budget</i> • <i>Diocesan Council adopts first draft of 2011 budget including expenses and projected revenues</i>
<i>May/June/July</i>	• <i>Budget presentations to all 10 spring regional meetings with time for final input/suggestions</i>
<i>August 26</i>	• <i>Diocesan Council adopts final proposed 2011 budget and sends it to Convention for ratification</i>
<i>September 25 & October 9</i>	• <i>Pre-Convention Gatherings continue the conversations</i>
<i>October Convention</i>	• <i>Convention ratifies the 2011 budget</i>

Accordingly, this first draft of the 2011 budget is submitted for review and comment at the winter regional meetings. Please check with your local clergy and on the diocesan website for the schedule of winter meetings – meetings will be posted as they are scheduled and announced by the regions. The Diocesan Council will consider all input and in April adopt a second draft 2011 budget.

Regional Meetings are asked to consider this document in light of the three focus areas identified by Bishop Rickel and to forward comments, suggestions or concerns through the regional ministry process.

- **Concentrating on those 35 and under** – to engage with, listen to, and commit resources toward all those who are 35 years of age and under.
- **Congregational development** – to develop and implement a clear strategy and ethos of congregational development and health in our diocese in all our congregations no matter what the size or place.

- **Stewardship of all our resources** – to be stewards of all of our resources – human, financial, material and spiritual.

The goal of this new budget timeline is to provide more transparency and more opportunity for input during development of the budget by delegations, clergy, congregations and regions. We thank you for your participation in this important process.

Your Diocesan Council,

The Rev. Chuck Atcheson, *Be Attitudes Regional Ministry*; Ms. Sally Barnes, *Columbia Regional Ministry*; Ms. Charlotte Brown, *Commission for Ethnic Ministries*; Mr. Jim Campbell, *Willapa Regional Ministry*; Ms. Rebecca Crimmins, *Commission for the Church in the World*; the Rev. Susan Dean, *Commission for Evangelism*; Ms. Sally Farrell, *Eastside Episcopal Churches*; the Rev. JR Lander, *Commission for Faith Formation*; Mr. Don Little, *Peninsula Regional Ministry*; Ms. Sandy McCloud, *Holy C Regional Ministry*; Mr. Joe McGuire, *Commission for Planned Giving/ Stewardship*; the Rev. Andrea McMillin, *Mt. Baker Regional Ministry*; Mr. Jordan Rickard, *At-large*; the Rt. Rev. Greg Rickel, *Bishop Diocesan*; the Rev. Jeff Sells, *At-large*; Ms. Lucy Von Heesen, *Evergreen Regional Ministry*; Mr. Bob Wheeler, *Sno-Isle Regional Ministry*; the Rev. Martin Yabroff, *Rainier Regional Ministry*; and the Rev. Richard Younge, *At-large*.

A Report on our 2009 Diocesan Finances – Operating Budget

By Jim Campbell, chair, Budget & Finance Committee of Diocesan Council

From a financial perspective, the year 2009 was one of the most difficult in recent memory for a number of reasons – the unpredictability of investment revenue (banks and CDs are paying almost zero), the financial stress on congregations and that impact on ability to pay assessments, as well as an extraordinary level of expenditures held until the fourth quarter. The 2009 approved budget assumed using \$400,000 of previously accumulated net assets/fund balance in order to launch new programs, support congregations with new initiatives, and balance the budget. Fortunately, the diocesan Operating Budget ended the year with a deficit only slightly in excess of \$400,000. ***Congregations are to be commended for their efforts to pay assessments, as the year ended with a shortfall of only about 9%.*** Slightly more than half of this shortfall is owed by congregations with long histories of not paying the full assessment; the rest includes five new congregations.

The total Operating Budget ended 2009 with a deficit of \$424,841. The deficit in the *unrestricted* portion of the budget was \$414,884 and the *restricted* portion was \$9,958. While the restricted funds show a current year deficit, none of the funds have a negative fund balance and simply spent some of prior years' accumulated balances. The net assets/fund balance at year end in the Unrestricted Fund is \$276,194 and in the Designated Fund \$506,429. The balance in the Council Discretionary Fund is \$44,900, and the Legacy Fund account is \$37,677. These are the primary accounts specifically available for Bishop and Council projects.

2009 Assessment Payments Summary

Including after year “catch up” payments to date (Feb. 17, 2010), there are 15 congregations with arrearages in 2009 totaling \$343,735; 91.1% of assessments were paid. In 2008, after all the dust settled, 16 congregations were left with arrearages totaling \$188,763; 94.7% of assessments were paid. In 2009, five new congregations appeared on the list of those with arrearages, totaling \$146,792; if these five had fully paid assessments the paid percent would be 94.9%, slightly better than in 2008. Looking at these five congregations joining the list in 2009, it is hard to make much of a case for any of them that the issue of non-payment is all about the economy—each has other issues at work of which Council and the Bishop are aware. There are several areas with our congregations that need work – and we are working on them -- but the good news is we have 78 congregations that fully paid assessments in 2009.

Another way to view 2009 assessments: the full assessment to be collected was: \$3,871,989; collected to date \$3,529,261. In 2008 the full assessment to be collected was much lower, \$3,593,733; collected to date \$3,405,140. The 2009 assessment amount was larger and even in this economy we collected about \$125k more than in 2008.

It is interesting to look at the total of all grant-type monies provided to congregations in 2009 vs. 2008 (especially emergency grants to help with critical issues, and grants back totaling \$62k to aid some congregations to transition from in-kind outreach deductions to full payment). By looking at this we can see just how much congregations were supported in 2009 by diocesan grants. Quickly totaling up all grants provided in 2009 a rough amount of over \$1M was distributed vs. about \$600k distributed in 2008. For 2010, budget plans are to distribute about \$725k in direct support to congregations. There is a clear correlation between providing grants to congregations and their ability to fully pay the assessment, in the short term. *The goal is to help congregations help themselves over time to become healthy, growing and fully paying their assessments without assistance.*

Narrative for program requests

Wider Church Covenants (line 45-50)

Includes support for our shared ministry through the asking for the *National Church (45)* (based on a formula approved by the triennial General Convention of the Episcopal Church), support for *Province VIII (47)* (one of nine provinces in the Episcopal Church USA consisting of the dioceses of Alaska, Arizona, California, Eastern Oregon, El Camino Real, Hawaii, Idaho, Los Angeles, Nevada, Northern California, Olympia, Oregon, San Diego, San Joaquin, Spokane, Taiwan, Utah and the Navajoland Area Mission), the *Washington Association of Churches (48)* (our faith-based state public policy education & advocacy network), or partnership with *St. Mark's Cathedral (46)*, and *ecumenical work (49)* in Western Washington.

Congregational Development (*line 51-61*)

The *College for Congregational Development (CCD) (60)* provides core training in congregational and organizational development aimed to provide clergy and lay leaders with the understanding and skills they need to develop their congregations into healthier, more robust communities of faith grounded in Christian faith and practice within a living Anglican/Episcopal tradition; the College estimates \$57,120 in revenue from fees and registrations. Staff includes a half-time *Canon for Congregational Development (51)* and a 25%-time *assistant (52)*. *Grants to Congregations (54)* provide funds to congregations in several areas: *Grants for growth* provide support to congregations in growing areas and are expected to continue for a number of years on a declining basis. Grants to congregations who have *historically received grants* will continue with specific steps identified to enable each to become financially independent. A *reserve* for special situations that may arise during the year will be administered by the Bishop Diocesan and Canon to the Ordinary. Members of the *Congregation Consulting Network (58)* act as trainers for the CCD and consult with congregations on a variety of topics. *General Office (59)* supports the work of this department. *Grants from unrestricted bequests (55)* will appear only when unrestricted bequests are received and dispersed in a given year. *NDI In-kind grants back (56)* was a two-year program that ended in 2010. *Bishop-directed grants (57)* is fully funded by restricted income and is used by the bishop for special grants to ministries and congregations.

Supporting Congregations (*line 62-69*)

Congregations and the support of ministry through people, dollars and resources is the primary goal of this area. Activities and programs are under the oversight of the Canon to the Ordinary (line 154-155). The Total Common Ministry (TCM) program is designed to provide the sacraments and congregational life for those congregations that cannot afford fulltime seminary-trained clergy. The congregations have taken their life into their own hands, using the gifts and skills given by God to members of the congregation. Staff includes one TCM missionary – *TCM Missioner (62)* (50% FTE). *TCM program (64)* provides support for the TCM Missioner and participants including attendance at national meetings, travel around the diocese, and professional fees for Circle Modules. *Clergy Residency Program (65)* is a program in which the Diocese partners with a congregation to place a newly-graduated seminarian. Congregations would be chosen by the Bishop to mentor and train newly-ordained priests. The congregation would pay ½ of the cost and the diocesan budget would pay ½ of the cost; this is envisioned as a two year program. *Clergy Residency (67)* and *Bond Support Battle Ground (68)* are both fully funded by restricted income. *Support for Congregations (66)* includes a variety of support programs for congregations:

- Support for congregations in transition as well as support for interims and priests-in-charge.
- Leadership development training for congregation leaders.
- A one-day conference for congregation junior and senior wardens.
- Misconduct consulting and settlement.
- MissionInsite—a demographic program available for free use by congregations and/or individuals.
- Mediation and meeting expenses related to congregations in conflict.
- Sponsorship of and support for clergy days.
- Mandated abuse and misconduct prevention training for clergy and congregations.

Evangelism & Growth (*line 70-73*)

The purpose of the Commission for Evangelism is to equip the congregations of the diocese to share the good news of Jesus Christ with others. More than half of the evangelism budget supports two line items: one is the long-standing *TV Eucharist (70)* on KONG cable television, which uses Episcopal and Lutheran clergy and lay leaders with studio and taping donated by KING TV. The other is continued salary support for the pastor of *COTA (Church of the Apostles) (71)* in Fremont, a joint Lutheran/Episcopal emerging congregation that continues to grow but which is saddled with considerable debt from purchase and renovation of a facility to live into their vision and mission. *Evangelism program (72)* anticipates \$1,000 in revenue and supports the following:

- Develop lay pastoral care ministry at the congregation level, with support of resources, training, newsletter and directory of pastoral care leaders.
- Encourage congregations to offer programs for newcomers (Via Media, the Discovery Series, training on hospitality and welcoming) that radically welcome and invite guests to be transformed by the Good News.
- Promote and provide scholarships for provincial and national trainings.
- Provide diocesan-wide evangelism training opportunities for at least 300 members of the diocese, including a workshop focused on 35 and under in partnership with CFEM (Commission for Emerging Mission) and one focused on small churches.
- Work with other commissions and the Bishop's office to facilitate congregational development, growth, welcoming and evaluation of programs.

Faith Formation (*line 74-84*)

The Faith Formation program offers training, education, consultation and resources for congregations with specific programs for children, youth, young adults, and adults. The DSOMAT (the Diocesan School for Ministry and Theology) is on hiatus and the vision and ministry of this program is under review. Funds for a half-time Dean are included in the Compensation/Benefits Reserve (181). Staff includes one fulltime position (*Canon for Youth and Young Adults (74)*), one three-quarter time *Project Coordinator (77)* and a half-time *Director of Diocesan Resource Center (75)*. *Faith Formation—Adult Resources (79)* anticipates revenues from fees & tuition of \$2,100, and includes funds to:

- Update curriculums and resources in the Diocesan Resource Center for Sunday school teachers.
- Provide for distance learning beginning fall 2010 with the possibility of regional distance learning centers.
- Train Sunday school teachers and children's education leaders.
- Support the DSOMAT Dean's site visits to congregations and ecumenical work.
- Maintain the quality programs offered through the DSOMAT to educate adults in the faith and to equip them to live out their baptismal ministries through a variety of classes and workshops and through ministry trainings for worship leaders and Eucharistic visitors.
- Pay yearly fees for use of the EFM (Education for Ministry) program, a theological education program for the laity from the School of Theology of the University of the South (Sewanee, Tenn.).
- Provide funds for the annual Ministry Resource Day featuring 50+ workshops each year.
- Support the Diocesan Resource Center, which provides educational resources to aid and support the spiritual and ministerial growth of the people and congregations of the diocese.
- Support the general office budgets for the Dean and Director of Diocesan Resource Center.

Faith Formation—Youth and Young adults (81) targets youth, young adults and the leaders who work with and for them, anticipates revenues from fees of \$17,000, and includes:

- HYC (high school) and JYC (junior high) and 6-Day youth conferences.
- Youth leadership training programs.
- Young adult ministry workshops, retreats and regional gatherings.
- A revamp of the music ministry.
- Update of conference training materials.
- Workshops at Ministry Resource Day.
- Support services and youth presence at our diocesan convention.
- Support of the office of Faith Formation and work of the Canon for Youth & Young Adults.

College Work/UW (82) supports Canterbury Campus Ministry at the University of Washington serving the spiritual, faith needs and concerns of college and university students through worship, service, community, evangelism, leadership development and spiritual discernment; some funds for this line item are provided through restricted investment income. **College Work/Bellingham (83)** provides for a new campus ministry placing a missionary at the University of Western Washington, Bellingham, who will work with those aged 35 and under. The focus is on innovative worship geared to a new generation, individual discernment of call and mission, spirituality, study of the bible and church teachings, environmental activism, and outreach. This budget will ensure a dedicated space and staff for this program. **Distance Learning/Meeting Package (New, 80)** will provide funds to set up learning centers in various parts of the diocese so that adult education may be offered via distance learning channels.

Emerging Mission (line 85-86)

The goal of this **Ministry (85)** is to support congregations in evangelical outreach in the emerging culture and among emerging generations, to develop and oversee a Pioneer Missioner program in the diocese matching 35 and under aged missionaries with innovative, mission-focused internship opportunities, to provide emerging mission consultation services to congregations and peer learning opportunities for diocesan clergy and lay leaders in emerging church and mission, to investigate and seek grant funding for a diocesan curacy program for under 35 aged priests, and to aid in the spiritual formation and missional deployment of younger adults around the Baptismal Covenant and Five Marks of Mission (from the ACC); the ministry area anticipates revenue of \$5,000 from grants.

Multi-Cultural Ministries (line 87-98)

The Commission for Multi-Cultural Ministries and the Canon for Multi-Cultural Ministries support empower and develop ethnic ministries in the diocese with a goal to promote the health and development of a culturally and ethnically diverse diocese; the Commission anticipates \$20,000 in revenue. Currently 10 ministries of color are supported: five Hispanic, three Asian-American and two Sudanese. It also supports four congregations that are developing into multi-cultural parishes. Staff include a halftime **Canon for Multi-Cultural Ministries (87)** and a halftime **Administrative Assistant (88)**. **African-American Ministry (90)** encourages the involvement of African-American people in the total life of the Church, sponsors the curacy for color ministry, and brings African-Americans together to celebrate their rich heritage and to establish bridges of understanding with the larger community. Goals of the **Anti-Racism Training Team (91)** are to increase awareness and consciousness about the sin of racism, to encourage congregations to take intentional steps to include persons of color in the life of the church, and to encourage the recruitment, training and employment of clergy and lay leaders of color. The **Cambodian Ministry (92)**, Holy Family of Jesus, Tacoma, provides spiritual nourishment, addresses the social needs of the surrounding community and supports the activities of the Korean Cultural

Service Center. The *Chinese Ministry (93)*, Holy Apostles, Bellevue, provides numerous ministries within the congregation and within the greater Chinese community becoming a church without borders rather than merely an ethnic ministry and serving as a bridge between several languages and cultures. The mission of the *First Nations Committee (94)* is to encourage an appreciation of the presence of peoples of the First Nations, their spirituality and their ministry within the Diocese of Olympia. Work of the *Indo-Hispanic Ministry (95)* includes congregational development, formation and training for ministry, integration of this community into the broader diocesan structure and work, community building, facilitation of ministry development, and grants to Hispanic congregations. The *Sudanese Ministry (96)* supports two worshipping communities. The *Commission (97)* provides coordination and support for all multi-cultural ministries.

Stewardship and Planned Giving (line 99-103)

The Planned Giving and Stewardship office provides congregations with resources and training to develop the ministry of legacy giving as well as support for annual campaigns and development of a theology of giving in gratitude for all that God has given us. Staff include a fulltime *Canon (99)* and 86%-time *Administrative Assistant (100)*. Goals of the *S&PG Program (102)* are to:

- Conduct stewardship-focused workshops with motivational tools and resources to improve year-round stewardship, annual campaigns, capital giving and legacy giving.
- Support diocesan-wide campaigns including *We Will Stand With You*, *Episcopal Charities Appeal*, the *Student Scholarship Committee Appeal*, and other special appeals.
- Focus the diocesan stewardship message around abundance and grateful, joyful giving by providing teaching tools, training, homilies, and resources to congregations.
- Introduce local legacy societies and the ministry of planned giving to at least five congregations.
- Implement a new diocesan planned giving website with new resources and up-to-date marketing information for congregations and donors on how to leave legacy gifts for funding future mission and ministry.

Communications (line 104-111)

The Office of Communications strives to provide outstanding communications services to the diocese, boldly proclaiming the good news of the Episcopal Church in Western Washington. Funding includes one full-time *Director of Diocesan Communications (104)*, and one part-time *Publications Coordinator (105)* staff in the communications department as well as a part-time *Print Shop Coordinator (107)*; a portion of the Print Shop Coordinator salary is reimbursed through restricted income. *Communications Program (109)* provides resources to:

- Provide consultation services for congregations and diocesan ministries.
- Produce the *FYI* leadership newsletter, *Across the Diocese* e-mail newsletter and the annual *Diocesan Directory* (electronic version).
- In collaboration with the Internet Strategist, provide continual update of and content for the diocesan website.
- Manage public relations for the Office of the Bishop.
- Produce four print issues of the *Episcopal Voice* diocesan magazine and eight issues of the *Episcopal Voice* electronic newsletter, both of which include news and features from the wider Episcopal Church and Anglican Communion.
- Investigate and implement a comprehensive audit of diocesan communications.
- Expand use of electronic communications.

- Increase the number of *Small and Simple Grants* to congregations.

The *Print Shop (110)* is fully funded by restricted income and provides in-house printing services for all diocesan departments, programs and ministries.

Bishop's Initiatives (line 112-113)

Past funding in the *Bishop's Initiatives (112)* line item has been used by the bishop to enable congregations to move forward with special projects that support their ministry and growth. Additional funding in this line item would continue this work.

Specialized Ministries/Church in the World (line 115-131)

The work of these ministries of justice and mercy are coordinated through the *Commission for the Church in the World (115)*; resources support diocesan and affiliated programs. The *Millennium Development Goals (130)* (MDGs) (adopted at the 2005 convention) designates 0.7% of the annual diocesan unrestricted budget to fund international relief and development programs. The *Bishop's Committee for the Environment (116)* promotes projects like the Earth Charter and Genesis Covenant. *Walk in Love: Episcopal Church Response to AIDS (117)* assists congregations with information and materials to respond to AIDS locally and internationally. The *Committee on Alcohol and Substance Abuse (CASA) (118)*, our diocesan response to the challenge of substance abuse in our communities, provides curriculum, training and consultation. The *Bishop's Committee for Israel/Palestine (119)*, by means of education, advocacy and prayer, supports our brothers and sisters in the Diocese of Jerusalem. The *Jubilee Ministry Network (120)* links the nine Centers in our diocese involved in advocacy, outreach, direct service and evangelism. *Economic Justice (121)* partners with church and community-based economic justice efforts providing education and support. *Greater Seattle Cares (122)* serves as a bridge between residents of Tent City3 and local communities to provide for daily needs of residents. Meal services at Lambert House are provided through *Integrity/Puget Sound (123)*. The Individual Development Account Program through the *Refugee Resettlement Office (124)* supports businesses created by the Jump Start Loan Fund. *St. James Family Center (125)* provides quality licensed childcare for children ages 5-12. The *Mission to Seafarers (126)* offers pastoral and material support to the workers on the many sailing vessels that visit Seattle as a port of call. *Earth Ministries (127)* provides a grant to bring the voice of the diocese to environmental issues being decided in the Washington State legislature and to support the involvement of Episcopalians in advocacy in Olympia. *Emergency Assistance Grants (129)* uses restricted funds to provide emergency grants in the area of human need.

Diocesan Bishop's Office (line 132-149)

The office of the Diocesan Bishop oversees the pastoral, administrative and programmatic work of the diocese. Staff includes a fulltime *Bishop Diocesan (132)* (fully funded by endowment income) a fulltime *Executive Assistant to the Bishop (133)*, a fulltime *Internet Strategist (new, 134)*, and a part-time *Secretary for Vocations (135)*. Three reserve funds are built through yearly transfers from restricted funds (once at an agreed level the item reverts to \$0 until funds are expended): the *Lambeth Conference (147)* for attendance at the conference of bishops convened by the Archbishop of Canterbury every ten years; the *Consecration Reserve* (currently \$0) for the consecration of the next bishop diocesan; and the *Bishop Search (148)* for the next time it is necessary to call a new bishop diocesan. The *Commission on Ministry (138)*, previously funded through the office of the Bishop Suffragan, carries out canonical obligations and assists the bishop in implementation of Title III of the national canons, in determination of present and future opportunities and needs for the ministry of baptized persons, and in design and

oversight of the ongoing process for recruitment, discernment, formation for ministry, and assessment of readiness for ministry. *Ministry Discernment (139)*, previously funded through the office of the Bishop Suffragan, supports the larger work of discernment for ministry, the support of those in the process toward ordination, the evaluation of those in the process, and the preparation for and celebrations of ordinations. *IT Consultations (new, 140)* provides funds for the Internet Strategist to work with congregations on technology, Internet and social networking opportunities. *IT General Office (new, 141)*, supports the work of the Internet Strategist. *Diaconal Formation (new, 142)* and *Office of the Archdeacon – General (143)*, supports the work of our volunteer Archdeacon. *Bishop's Office Program (137)* includes:

- The *Standing Committee* serves as a counsel of advice to the bishop as described in national and diocesan canons.
- *Pastoral Care of Clergy* funds the chaplains to the retired clergy, spouses and widows, remembrances at times of illness and celebration, and gatherings of retired clergy.
- Support for the work of the bishop diocesan locally, nationally and internationally.
- *Clergy Spouses and Partners* connects this group through communication and events.
- *Diaconal Presence* reimburses travel expenses for deacons who accompany bishops on visitations.
- *Episcopal Assistance* pays the honorarium and travel expenses on those occasions when the diocesan bishop invites another bishop to function for a particular reason on his behalf.

Theological Educations (144), *Clergy Emergency Grants (145)*, and *Christiansen Grants (146)*, are three restricted items fully funded by restricted income and administered by the Office of the Bishop according to the stipulations of each fund.

Bishop Suffragan's Office (line 150-153)

With the retirement of Bishop Suffragan Nedi Rivera this office is unfunded in 2011.

Canon to the Ordinary's Office (line 154-157)

The office of the Canon to the Ordinary assists the bishops in diocesan ministry and carries out the decisions and vision of the bishops. A fulltime *Canon to the Ordinary (154)* works with congregations in transition and congregations in conflict or with challenges, and also coordinates deployment and misconduct case management. A focus is to encourage and support clergy and leaders in congregations and to represent the values and vision of the bishop diocesan. Program funds under oversight of this office appear in the Supporting Congregations (line 62-69) area of this budget document. *Canon to the Ordinary Program (156)* supports the work of this office.

Treasurer's Office (line 158-164)

The Treasurer's Office is responsible for the financial transactions and records of the operating, trust, building loan, mission development and diocesan investment funds of the diocese. In addition, this office audits the annual NDI reports from congregations, files state tax forms, and processes financial transactions and prepares reports for federal, state and local government grants. The diocesan medical, dental, property and liability insurances are also the responsibility of this office. The office trains and serves as a resource to congregation treasurers. Support is also provided to the Board of Directors and the board representative. Staff includes three fulltime positions (*Canon for Finance (158)*, *Accounting Manager (159)*, *Insurance and Finance Assistant (160)*) and a volunteer treasurer. Income is generated by this department. *Treasurer's Office Program (162)* and *Insurance General (163)* support the work of this department.

Archives and Records Management (*line 165-168*)

This is a canonically required program. The *Archivist and Records Manager (165)* (a part time, 60% position) is the official custodian of diocesan records and is responsible for the direction and implementation of this program. A volunteer Historiographer is responsible for chronicling the history of the diocese and for making it available through written works, oral presentations, participating in professional forums and other mediums of communication. The mission of the *Archives & Records Management Program (167)* is:

- To preserve the historical record.
- To support the current ministry and community life of the diocese.
- To serve the informational and records management needs of the diocese — including compliance with administrative, fiscal and legal requirements.
- To identify, collect, preserve and make available records of enduring value.
- To aid congregations, ministries and institutions in the preservation and care of records through written guides, workshops and personal consultations.

Diocesan Governance (*line 169-175*)

This office provides support for the boards, committees, councils and events that provide overall leadership of the diocese, and anticipates \$20,000 in convention income. The budget process, work with regional ministry leadership and the work of the Committee on Constitution and Canons is also coordinated through this office. Staff includes a part-time (75%) *Bishop's Executive for Governance and Convention (169)*. A contracted *Representative for Property (174)* oversees the physical needs of the diocese's physical assets, represents the board in all property matters involving mission congregations, makes recommendations to the board regarding loan requests from mission congregations, advises the bishop on the financial viability of loans from outside sources requested by parish congregations and assists the bishop in making recommendations to the Standing Committee. *Governance—Legal, Audit (172)* provides funds for the annual audit of the diocesan books and legal expenses incurred by the diocesan chancellor and her office dealing with issues related to both diocesan and congregation-related matters. *Governance Program (173)* includes:

- The *Convention and Pre-Convention Gatherings* provide worship and fellowship opportunities for elected delegates and clergy from every congregation; members also discuss issues and resolutions and elect to diocesan offices.
- The *Diocesan Council* is the convention-in-recess and as such is responsible for the programs and budget of the diocese.
- *Commission on Church Architecture* provides advice and resources for congregations and institutions involved with building/construction projects.
- The *Board of Directors* manages the funds and real estate held by the diocesan corporation.
- The *Liturgy and Arts Commission* is a resource for the bishop and diocese in all matters regarding worship, liturgy, music and the arts; members plan the worship for the annual convention and provide leadership through workshops.
- Support for the *Personnel Commission* including increased funding for consulting and printing.
- Administrative costs for the *Insurance Committee*.
- General support for the Governance office.

Other Governance Program (*line 176-178*)

Other Governance Program (176) funds the production and distribution costs for the *Journal of Convention* and the diocesan *Constitution and Canons*. In addition, it includes a pool fund to cover *volunteer mileage* for programs and departments and the *General Convention Reserve*, which provides funds to send our deputation (eight deputies and two alternates — one in each of the lay and clergy order) to each triennial General Convention — the national church convention. The 2011 budget continues the three-year accrual for the 2012 General Convention. *Cathedral Dean Search Reserve (177)* is fully funded by restricted income and intended to be the diocesan contribution to the next Dean search at St. Mark's Cathedral.

Property & Liability Insurance (*line 179-180*)

Provides funding for the cost of property and liability coverage for the Liability, Directors and Officers, and non-owned auto for the diocesan corporation.

Benefits (*line 181-184*)

Compensation/Benefits Reserves (181) provides for the likelihood of an increase in insurance premiums for diocesan staff, particularly as we move to a mandated national insurance plan in 2011, as well as COLA salary increases; in 2011 this line item also includes unallocated salaries. *Medicare Supplement (183)* covers the majority of the cost of Medicare supplement policies for retired diocesan staff. *Unemployment Reserve (new, 182)* provides a reserve to cover unemployment costs (self-funded) for laid-off diocesan staff in accordance with 2008 convention action.

Diocesan House (*line 186-192*)

Diocesan House provides space and services to the staff of the Office of the Bishop, committees, commissions and organizations. The *Receptionist (186)* answers and directs calls, greets visitors, orders supplies, coordinates meeting space, arranges for equipment maintenance, prepares and distributes mail and provides miscellaneous clerical support. *Maintenance Services (188)* provides funds for a part-time staff person to maintain and repair Diocesan House and grounds. *Casual Labor (189)* provides funds to hire additional occasional assistance with repair and maintenance projects. *Diocesan House General (190)* provides funds to purchase office supplies for the Office of the Bishop, covers the phone bills, photocopier and fax machine contracts, and general office support for the receptionist. *Plant Services General (191)* funds Diocesan House maintenance, cleaning, security, upkeep of the yard and surrounding environment, custodial supplies, hospitality and kitchen supplies, gas, heat, electricity, and recycling.

St. Andrew's House (*line 193-194*)

St. Andrew's House on Hood Canal is a gathering space for retreats and workshops for congregations and organizations from across the diocese. The majority of funding for the approximately \$225,000 budget is generated through fees and reimbursements. For 2011 the facility has asked for a \$10,000 subsidy for deferred maintenance, as well as additional ministry support in the amount of \$14,000 to allow SAH to re-assert itself into new markets and continue the trend of occupancy increases.

Early Revenue Assumptions

Line/Reference	Description	% increase/ decrease from Actual 2010 Budget	2011 Projected	2010 Budget	2009 Actual	2008 Actual
1	Assessments: 20% rate--2004-06; 18% rate-- 2007 & on			3,950,000		3,340,126
2	Less Non-Pay Shortfall: 8%--2007, 7%--2008, 6%--2009 & 8% 2010			-316,000		
3	Prior Years' Assessments			50,000		77,884
4	Total Assessment Income	0.00%	3,684,000	3,684,000	3,547,603	3,418,010
	Unrestricted Investment Income					
5	Hodges	0.00%	2,500	2,500	2,500	3,750
6	Henry	36.28%	78,917	57,910	90,439	98,343
7	Thanksgiving	315.83%	11,560	2,780	6,474	4,725
8	Total Unrestricted Income	47.14%	92,977	63,190	99,413	106,818
	Restricted Investment Income					
9	Christiansen (line 146)	36.29%	8,477	6,220	9,715	10,564
10	Clapp (line 68)	36.27%	31,668	23,239	36,292	39,464
11	Clergy Emergency (line 145)	36.28%	13,210	9,693	15,138	16,461
12	College Work (line 82)	36.28%	9,865	7,239	11,305	12,292
13	Episcopate Endowment #1 (line 132, 136)	36.27%	139,396	102,291	159,748	173,711
14	Episcopate Endowment #2 (line 136, 147, 148, 177)	12.41%	68,000	60,491	69,092	76,012
15	McDonald (Huston scholarships)		-	0	140	-83
16	Mission Ministry Fund (line 57)	66.49%	35,000	21,022	29,641	25,538
17	Phillips Fund	36.48%	15,477	11,340	17,677	19,951
18	Pruden Fund (clergy residency fund) (line 67)	36.31%	687	504	787	855
19	St. Bernard's Chapel (line 195)	36.21%	1,027	754	1,177	1,280
20	Theological Education (line 144)	36.28%	26,600	19,519	30,483	33,147
21	Working Capital Trust	-53.52%	4,905	10,553	0	2,254
22	Human Need Endowment (line 129)	37.55%	6,791	4,937	6,662	9,500
23	Total Restricted Income	29.99%	361,103	277,802	387,857	420,946

Early Revenue Assumptions

Line/Reference	Description	% increase/ decrease from Actual 2010 Budget	2011 Projected	2010 Budget	2009 Actual	2008 Actual
Other Income						
24	Bank and Other Income	40.00%	28,000	20,000	29,588	47,605
25	Transfers and Grants		-	-	25,790	0
26	Transfers - Ethnic Ministries		-	-	0	
27	Insurance Administration (line 160, 163)	40.00%	35,000	25,000	25,000	45,500
28	Total Other Income	40.00%	63,000	45,000	80,378	93,105
Fees, Tuitions, and Reimbursements						
29	Print Shop (line 107, 110)	14.29%	24,000	21,000	23,967	28,395
30	Printer 20% (Cathedral) (line 107)		-	-	6,605	12,644
31	DSOMAT/Adult Education (line 79)	-76.67%	2,100	9,000	9,600	9,150
32	Youth Events (line 81)	-29.17%	17,000	24,000	17,725	23,225
33	Emerging Mission (line 85)	150.00%	5,000	2,000	0	0
34	Multi-cultural Ministry (line 97)	100.00%	20,000	10,000	0	0
35	Evangelism (line 72)	-66.67%	1,000	3,000	0	0
36	Governance (line 173)	2.56%	20,000	19,500	30,208	0
37	College for Congregational Develop. (line 60)	24.75%	57,120	45,788	47,057	0
38	Diocese of Eastern Oregon (line 150, 151)	-100.00%	-	25,680	38,500	0
39	Grant and DIF Administration (line 158, 159)	37.93%	20,000	14,500	13,345	10,500
40	Total Fees, Tuitions, etc.	-4.73%	166,220	174,468	187,007	83,914
Unrestricted Reserve						
41	Transfer from (to) Unrestricted Reserve			-	-	-
42	Transfer from (to) U/R for Bishop's Initiatives*			100,000	-	
43	Total Revenues Projected/Used:	0.53%	4,367,300	4,344,460	4,302,258	4,122,793
44	**Unrestricted Reserve balance			176,194	276,194	689,156

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual
<i>Supporting the Broader Church</i>						
<i>Wider Church Covenants</i>						
45	Nat'l Church Apportionment	-13.76%	599,110	694,679	686,074	693,184
46	St. Mark's Cathedral Partnership	0.00%	75,000	75,000	100,000	100,000
47	Province VIII Assessment	0.00%	15,000	15,000	23,500	23,328
48	WA Assoc of Churches	0.00%	20,000	20,000	20,000	20,000
49	Ecumenical and Interfaith	0.00%	250	250	1	-
50	Total Supporting the Broader Church	-11.87%	709,360	804,929	829,575	836,512
<i>Empowering Congregations</i>						
<i>Program for Ministry</i>						
• Congregational Development						
51	Canon for Congregational Development (50% FTE) compensation package	0.00%	45,000	45,000	45,000	-
52	Assistant (25%FTE) salary	0.00%	10,000	10,000	5,183	-
53	Total Benefits for above position	0.00%	4,830	4,830	5,392	-
54	Grants to Congregations (includes \$25k reserve)	38.89%	500,000	360,000	360,000	285,207
55	New Grants from Unrestricted Bequests		-	-	25,789	
56	NDI Inkind Grant Backs	-100.00%	-	32,000	-	
57	Line 16 Bishop Directed Grants **	66.49%	35,000	21,022	40,000	89,439
58	Congregation Consulting Network	750.00%	8,500	1,000	3,308	
59	Canon for Cong. Dev. General Office	0.00%	6,500	6,500	4,998	
60	Line 37 College for Congregational Development *	51.65%	128,900	85,000	60,370	
61	Subtotal	30.67%	738,730	565,352	550,040	374,646
• Supporting Congregations						
62	Total Common Missioner (50% FTE) salary	0.00%	40,000	40,000	19,799	
63	Total Benefits for above positions	0.00%	728	728	145	
64	Total Common Ministry Program	-43.16%	6,650	11,700	6,100	-
65	Clergy Residency Program -	183.64%	156,000	55,000	-	
66	Support for Congregations --	25.87%	63,500	50,450	37,973	88,028
67	Line 18 Clergy Residency **	36.31%	687	504		660
68	Line 10 Bond Support Grant - Battle Ground **	0.00%	23,239	23,239	27,536	24,620
69	Subtotal	60.12%	290,804	181,621	91,553	113,308

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual	
	• Evangelism and Growth						
70	TV Eucharist	0.00%	16,000	16,000	16,000	16,000	
71	COTA salary support	6.67%	16,000	15,000	15,000	15,000	
72	Line 35 Evangelism Program -- *	9.14%	21,500	19,700	27,201	23,621	
73		Subtotal	5.52%	53,500	50,700	58,201	54,621
	• Faith Formation						
74	Canon for Youth & Young Adults salary	0.00%	60,646	60,646	62,465	60,646	
75	Director of Diocesan Resource Center salary (50% FTE)	0.00%	18,620	18,620	19,550	21,723	
76	Dean, DSOMAT, salary (50% in 2010)			(in Comp Ben Reserve)	28,675	48,776	
77	Project Coordinator salary (75% FTE)	0.00%	29,791	29,791	31,281	29,791	
78	Total Benefits for above positions	0.00%	42,966	42,966	59,290	55,799	
79	Line 31 Faith Formation -- Adult Resources* (includes MRD)	18.59%	43,640	36,800	33,403	32,886	
80	New Distance Learning/Meeting Package	100.00%	16,000	0			
81	Line 32 Faith Formation -- Youth & Young Adults*	-11.39%	46,700	52,700	35,397	40,379	
82	Line 12 College Work/UW *	25.00%	65,000	52,000	52,000	50,000	
83	New College Work/Bellingham WWU	42.86%	50,000	35,000	10,000	0	
84		Subtotal	13.65%	373,363	328,523	332,061	340,000
	• Emerging Mission						
85	Line 33 Emerging Mission -- *	50.00%	45,000	30,000	20,000	0	
86		Subtotal	50.00%	45,000	30,000	20,000	0
	• Multi-Cultural Ministries						
87	Canon for Multi-Cultural Ministries salary (50% FTE in 2010)	0.00%	34,579	34,579	71,232	69,158	
88	Administrative Assistant salary (50% FTE)	0.00%	22,289	22,289	22,645	35,945	
89	Total Benefits for above positions	0.00%	19,952	19,952	25,762	30,179	
90	African American Committee	0.00%	3,000	3,000	3,000	944	
91	Anti-Racism Training Team	0.00%	9,000	9,000	8,410	8,666	
92	Cambodian - Holy Family of Jesus	0.00%	46,000	46,000	46,000	45,600	
93	Chinese Ministry - Holy Apostles	0.00%	5,000	5,000	5,000	4,446	
94	First Nations Committee	0.00%	3,500	3,500	3,501	2,105	
95	Indo-Hispanic Ministry Committee	0.00%	16,000	16,000	16,000	13,521	
96	Sudanese Committee	0.00%	1,500	1,500	1,500	709	
97	Line 34 Commission for Multi-Cultural Ministries *	0.00%	10,000	10,000	16,172	16,802	
98		Subtotal	0.00%	170,820	170,820	219,222	228,075

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual
	• Stewardship and Planned Giving					
99	Canon for Planned Giving/Stewardship/Evangelism salary	0.00%	80,862	80,862	83,288	80,862
100	Administrative Assistant salary (86% FTE in 2010)	0.00%	32,090	32,090	33,696	31,287
101	Total Benefits for above positions	0.00%	42,912	42,912	42,633	37,553
102	S & PG Program --	17.58%	43,600	37,080	44,785	45,426
103	Subtotal	3.38%	199,464	192,944	204,402	195,128
	• Communications					
104	Director of Diocesan Communications salary	0.00%	55,327	55,327	56,987	55,327
105	Publications Coordinator salary (40% FTE in 2010)	0.00%	26,000	26,000	37,492	41,163
106	Information Systems Coordinator (moved to line 136)					53,199
107 Line 29, 30	Print Shop Coordinator salary * (84% FTE in 2010)	0.00%	37,793	37,793	55,268	52,906
108	Total Benefits for above positions	0.00%	47,394	47,394	45,724	57,164
109	Communications Program --	0.68%	84,575	84,000	110,915	98,390
110 Line 29	Print Shop **	-40.00%	12,000	20,000	8,383	18,892
111	Subtotal	-2.74%	263,089	270,514	314,769	377,041
	• Bishop's Initiatives					
112 Line 42	Bishop's Initiatives	129.45%	150,000	65,375	299,730	0
113	Subtotal	129.45%	150,000	65,375	299,730	0
114	Total Empowering Congregations	23.11%	2,284,770	1,855,849	2,089,978	1,682,819
	Specialized Ministries/Church in the World					
115	Commission for Church in the World Program --	32.14%	12,000	9,081	18,899	22,578
116	Bishop's Committee for the Environment	33.33%	9,500	7,125	9,982	11,839
117	Walk in Love: Response to AIDS	33.33%	4,000	3,000	2,500	2,000
118	Committee on Alcohol and Substance	33.33%	4,100	3,075	2,500	1,272
119	Bishop's Committee for Israel/Palestine	33.33%	12,500	9,375	12,488	10,038
120	Jubilee Ministry Network	33.33%	1,600	1,200	1,500	1,125
121	Committee for Economic Justice	33.33%	2,500	1,875	2,500	749
122	Greater Seattle Cares	33.33%	5,000	3,750	0	
123	Integrity Puget Sound	33.33%	1,500	1,125	0	
124	Refugee Resettlement	14.78%	9,900	8,625	7,200	6,000
125	St. James Family Center	33.33%	1,500	1,125	1,500	1,500

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual
126	The Mission to Seafarers	33.33%	4,000	3,000	2,800	2,800
127	Earth Ministries	400.00%	10,000	2,000	0	
128	Global Mission	-100.00%	-	300	0	
129 Line 22	Emergency Assistance Grants **	37.55%	6,791	4,937	6,900	9,500
130	Millennium Development Goals	19.96%	33,550	27,968	23,569	26,681
131	Total Specialized Ministries	35.27%	118,441	87,561	92,338	96,082
	Canonical and Corporate Expenses					
	• Diocesan Bishop's Office					
132 Line 13	The Bishop's salary **	0.00%	127,630	127,630	131,127	131,127
133	Executive Assist to the Bishop salary	0.00%	56,000	56,000	56,679	51,784
134	Internet Strategist salary	0.00%	60,000	60,000	54,795	
135	Secretary for Vocations salary (40% FTE)	0.00%	20,280	20,280	7,605	
136 Line 13, 14	Total Benefits for above positions *	7.00%	76,980	71,947	84,989	62,398
137	Bishop's Office Program	0.00%	75,000	75,000	81,243	66,138
138	Commission on Ministry		10,000	10,000	9,579	
139	Ministry Discernment		8,000	8,000	7,414	
140 New	IT Consultations		26,100	-		
141 New	IT General Office		39,000	-		
142 New	Diaconal Formation		3,600	-		
143	Office of the Archdean - General	115.97%	6,695	3,100		
144 Line 20	Theological Education **	36.28%	26,600	19,519	19,597	55,918
145 Line 11	Clergy Emergency Grants **	36.28%	13,210	9,693	22,301	12,062
146 Line 9	Christiansen Grants **	36.29%	8,477	6,220	9,514	16,151
147 Line 14	Lambeth Conference Reserve **	0.00%	2,500	2,500	4,000	4,000
148 Line 14	Bishop Search Reserve **	100.00%	20,000	10,000	20,000	10,000
149	Subtotal	20.88%	580,072	479,889	508,843	409,578
	• Bishops Suffragan's Office					
150 Line 38	Bishops Suffragan's salary * (S&B January 2010)	-100.00%	-	9,500	114,000	114,000
151 Line 38	Total Benefits * included above	-100.00%	-	2,658	31,421	31,135
152	Bishop Suffragan Program --	-100.00%	-	19,500	29,715	43,899
153	Subtotal	-100.00%	0	31,658	175,136	189,034

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual
	• Canon to the Ordinary's Office					
154	Canon to the Ordinary salary	0.00%	85,000	85,000	82,400	79,402
155	Total Benefits for above position	0.00%	27,951	27,951	26,967	26,111
156	Canon to the Ordinary Program --	-12.29%	26,400	30,100	50,302	32,080
157	Subtotal	-2.59%	139,351	143,051	159,669	137,593
	• Treasurer's Office					
158 Line 39	Canon for Finance salary *	0.00%	71,286	71,286	73,425	71,286
159 Line 39	Accounting Manager salary *	0.00%	55,000	55,000	56,650	55,000
160 Line 27	Insurance & Finance Assistant salary *	0.00%	37,145	37,145	38,942	35,945
161	Total Benefits for above positions	0.00%	48,685	48,685	48,755	46,910
162	Treasurer's Office Program --	10.22%	24,000	21,775	18,962	17,338
163 Line 27	Insurance General **	0.00%	2,600	2,600	1,665	2,374
164	Subtotal	0.94%	238,716	236,491	238,399	228,853
	• Archives					
165	Archivist & Records Manager salary (60% FTE)	0.00%	25,535	25,535	26,812	25,535
166	Total Benefits	0.00%	16,878	16,878	16,611	16,095
167	Archives & Records Management Program --	18.75%	9,500	8,000	10,076	9,309
168	Subtotal	2.98%	51,913	50,413	53,499	50,939
	• Diocesan Governance					
169	Bishop's Executive for Governance & Conv. salary (75% FTE)	25.00%	41,125	32,900	42,359	41,125
170	Total Benefits	0.00%	12,371	12,371	13,704	13,328
171	Governing Bodies (reserve transfer)		-	0		0
172	Governance-Legal, Audit	6.64%	63,450	59,500	51,914	49,927
173 Line 36	Governance Program *	9.97%	99,300	90,300	87,426	53,409
174	Representative for Property	0.00%	24,000	24,000	24,000	24,000
175	Subtotal	9.67%	240,246	219,071	219,403	181,789
176	• Other Governance Program --	11.94%	15,000	13,400	12,920	11,667
177 Line 14	Cathedral Dean Search Reserve **	0.00%	2,500	2,500	2,500	2,500
178	Subtotal	10.06%	17,500	15,900	15,420	14,167
	• Property and Liability Insurance					
179	Property/Liability Insurance Premium	8.33%	65,000	60,000	55,590	55,466
180	Subtotal	8.33%	65,000	60,000	55,590	55,466

Line/Reference	Description	% increase/ decrease from 2010 Budget	2011 Requests	2010 Budget	2009 Actual	2008 Actual
	• Benefits					
181	Compensation/Benefits Reserves (med ins changes/staff changes/unallocate	1.51%	121,000	119,195	33,149	8,772
182 New	Unemployment Reserve	0.00%	15,500	15,500		
183	Medicare Supplement	0.00%	42,000	42,000	45,289	40,624
184	Subtotal	1.02%	178,500	176,695	78,438	49,396
185	Total Canonical/Corporate Expenses	6.94%	1,511,298	1,413,168	1,504,397	1,316,815
	<i>Trustee Expenses</i>					
	• Diocesan House					
186	Receptionist salary	0.00%	29,108	29,108	30,564	29,108
187	Total Benefits for above positions	0.00%	11,167	11,167	11,110	31,207
188	Maintenance services	0.00%	25,524	25,524	59,938	35,293
189	Casual Labor	0.00%	2,000	2,000	2,163	1,654
190	Diocesan House General	3.67%	26,850	25,900	32,834	34,599
191	Plant Services General	-4.46%	75,000	78,500	64,245	69,930
192	Subtotal	-1.48%	169,649	172,199	200,854	201,791
	• Other Trustee Expenses					
193	St. Andrew's House Deferred Maintenance	0.00%	10,000	10,000	0	0
194	St. Andrew's House Operating Budget ministry support	100.00%	14,000	0	0	0
195 Line 19	St. Bernard's Chapel **	36.21%	1,027	754	0	0
196	Subtotal	132.72%	25,027	10,754	0	0
197	Total Trustee Expenses	6.41%	194,676	182,953	200,854	201,791
198	TOTAL EXPENSES	10.91%	4,818,545	4,344,460	4,717,142	4,134,019
199	TOTAL REVENUES		4,367,300	4,344,460	4,302,258	4,122,793
200	Net Surplus or (Deficit)		(451,245)	-	(414,884)	(11,226)

*** NOTE for 2009: The expected deficit for the 2009 budget year was \$400,000, which included \$300,000 for Bishop's Initiatives drawn from the U/R reserve