



*The 185<sup>th</sup> Convention of the Episcopal Diocese of Michigan*

# Mission Budget Presentation of

2020 Proposed Budget

2021 Draft Budget

[edomi.org/convention](http://edomi.org/convention)



# *Mission Budget Committee*

- ✓ **The Rev. Lynda Carter** (Grace, Southgate)
- ✓ **Claudia Hamlin** *chair* (St Paul's, Lansing)
- ✓ **The Ven. Linda MacDonald** (Capitol Area Deanery)
- ✓ **The Rev. Teresa Wakeen** (Church at Crossroads, Detroit)

## Staff Support

- ✓ **Jo Ann Hardy**, *canon administrator* (Cathedral Church of St Paul, Detroit)
- ✓ **Mark Miliotto**, *diocesan treasurer* (St John's, Royal Oak)



# Budget Development Timeline

Oct-18

- **First draft** presented at Diocesan Convention, and Apportionment formula approved, one year in advance

May-19

- **Budget Hearings**

Jul-19

- **Second draft** distributed 90 days before convention

Aug-19

- **Apportionment pledges** received

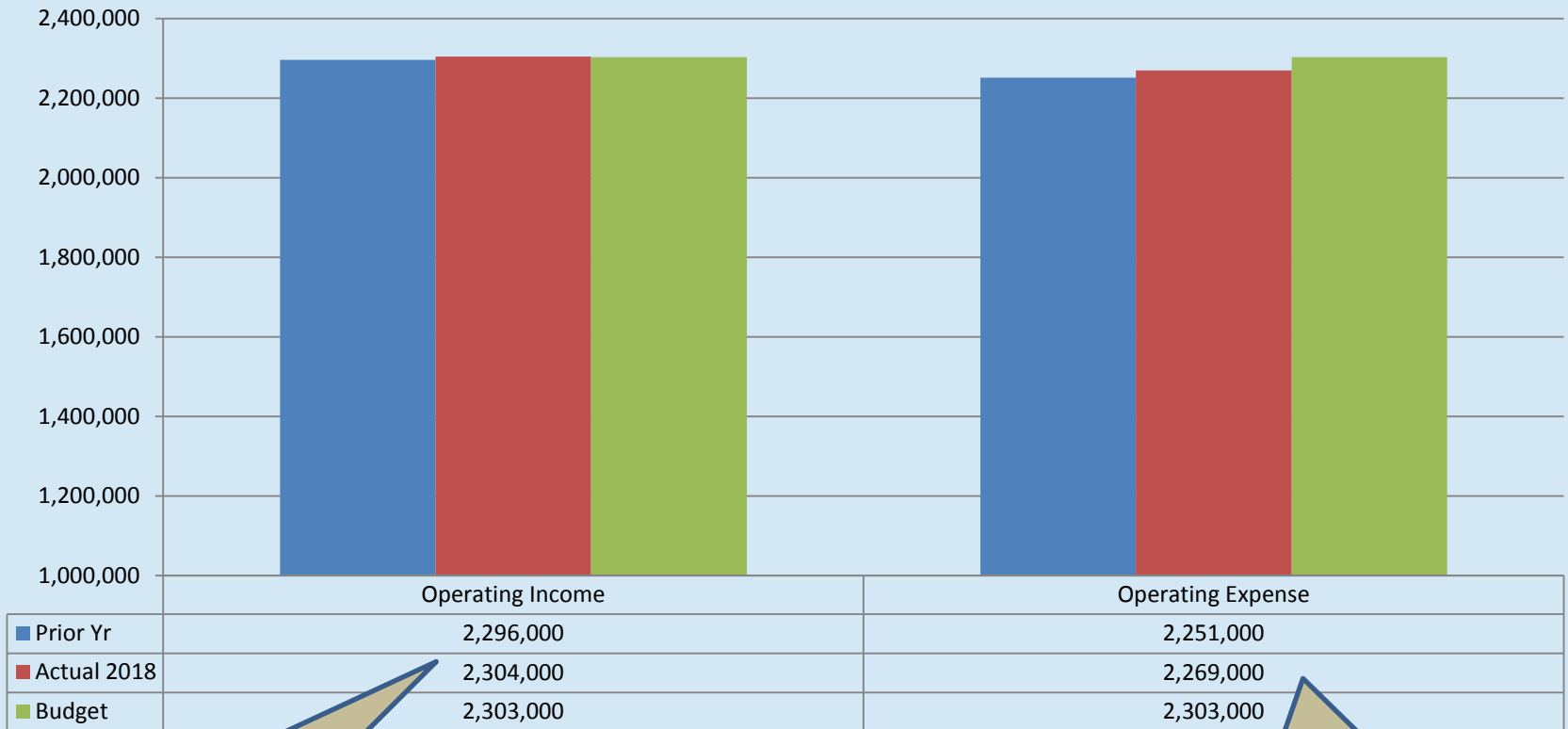
Sep-19

- **Final draft** distributed 30 days before convention

Oct-19

- **Presented for approval** at convention (today), and Apportionment formula for following year approved

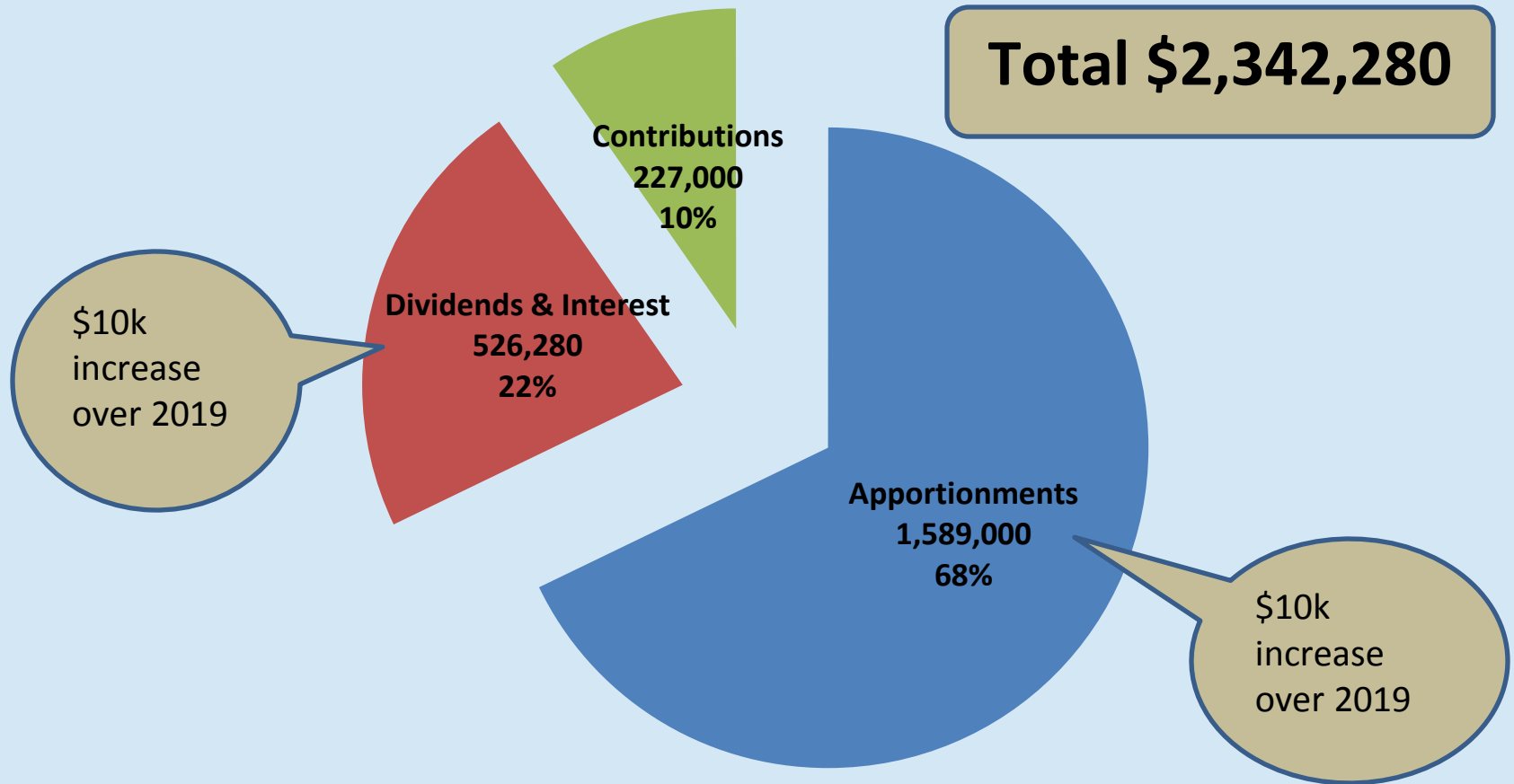
# Recap of 2019 Financials



Operating  
Income Budget  
Met

Expenses under-  
budget by \$34k

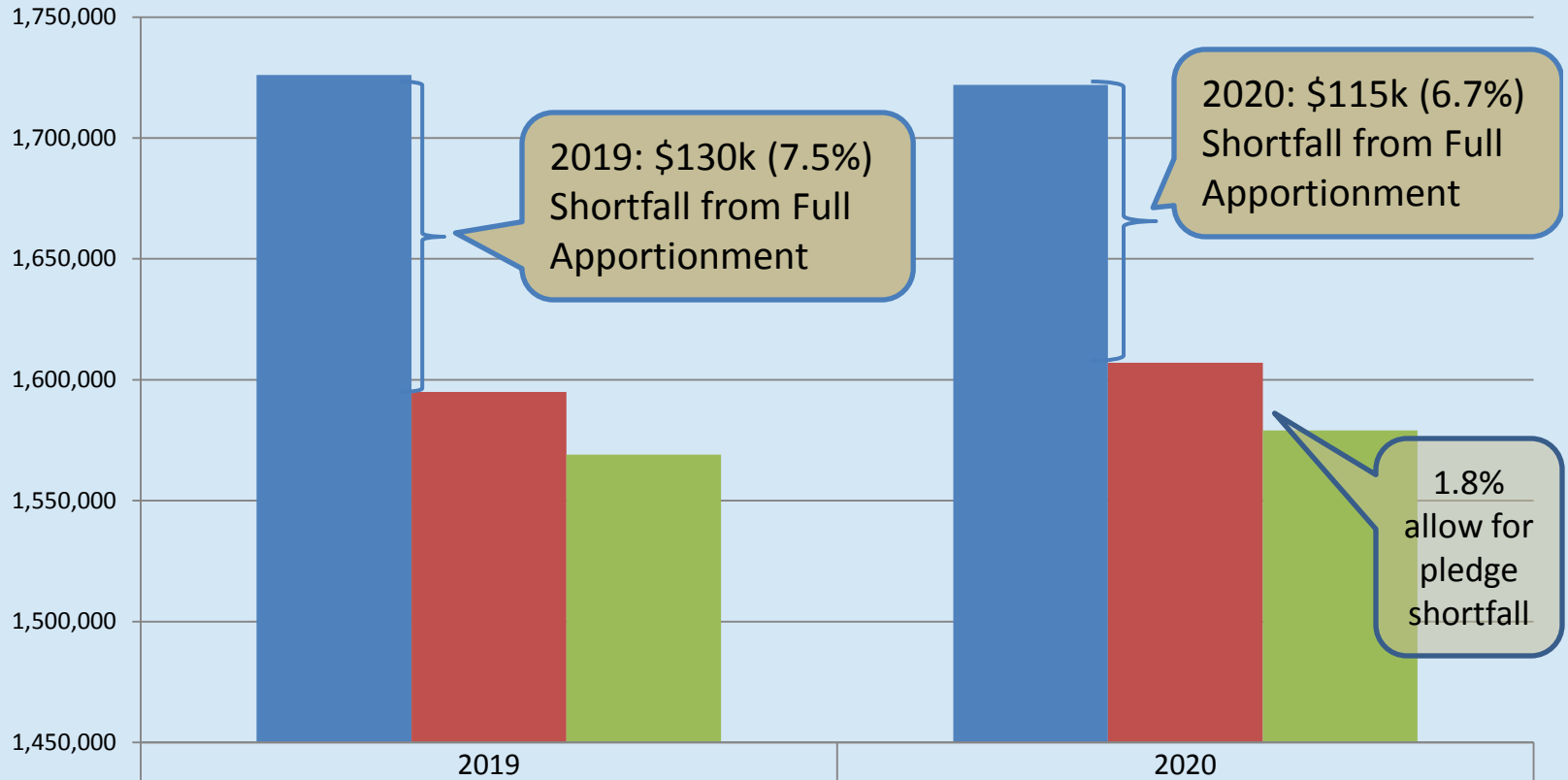
# Proposed 2020 Operating Revenues



# *2020 Apportionment Pledges*

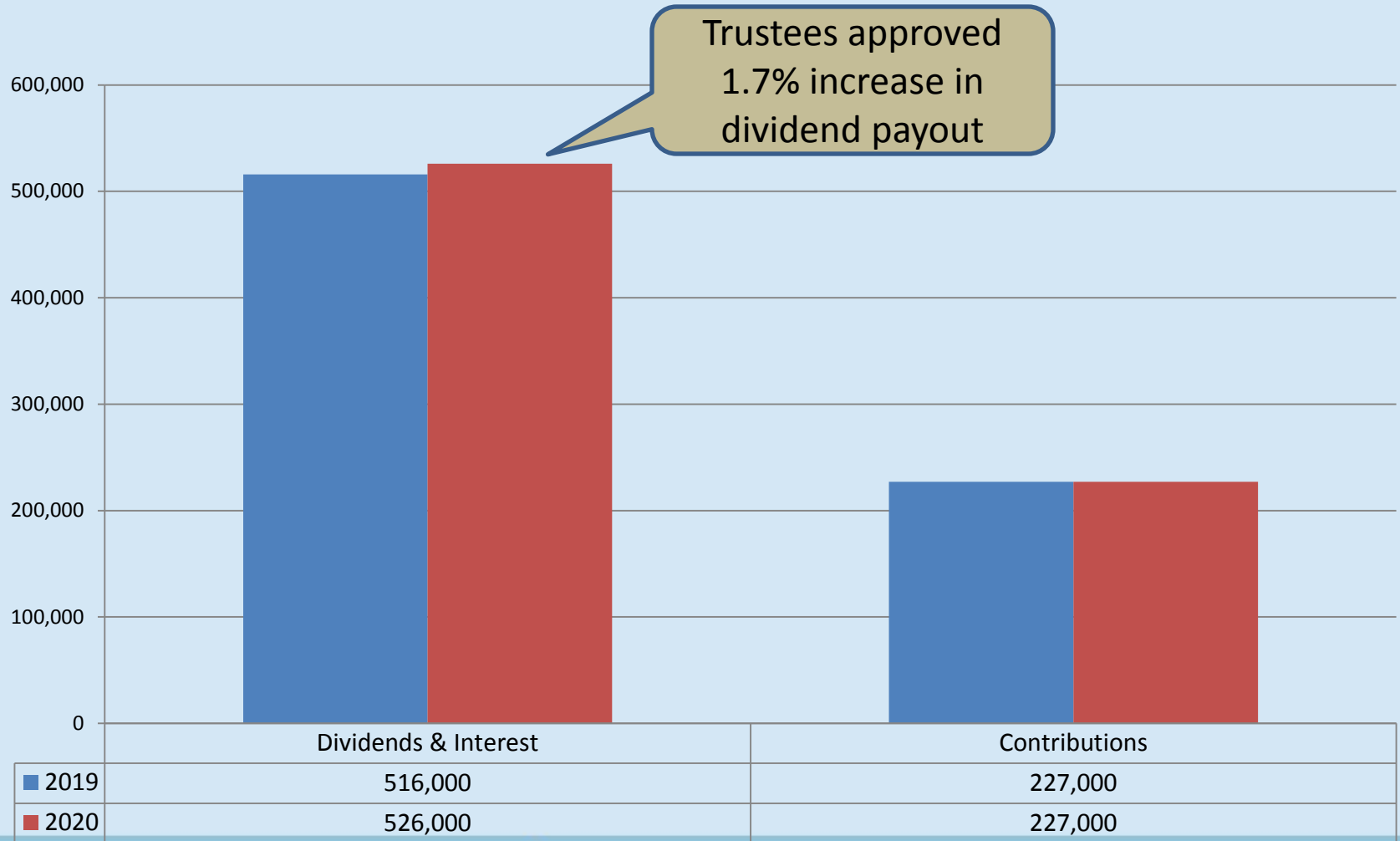
- 53 of 74 (72%) congregations pledging full apportionment (up from 52 in 2019)
- Total Pledges at \$1,607,000, up from \$1,595,000 in 2019 (+0.8%)
- Shortfall between full apportionment and pledges down to \$115,000 (6.7%) from \$130,000 (7.5%) in 2019
- 1.8% allowance in budget for pledge shortfall

# Apportionment Pledges Cont'd



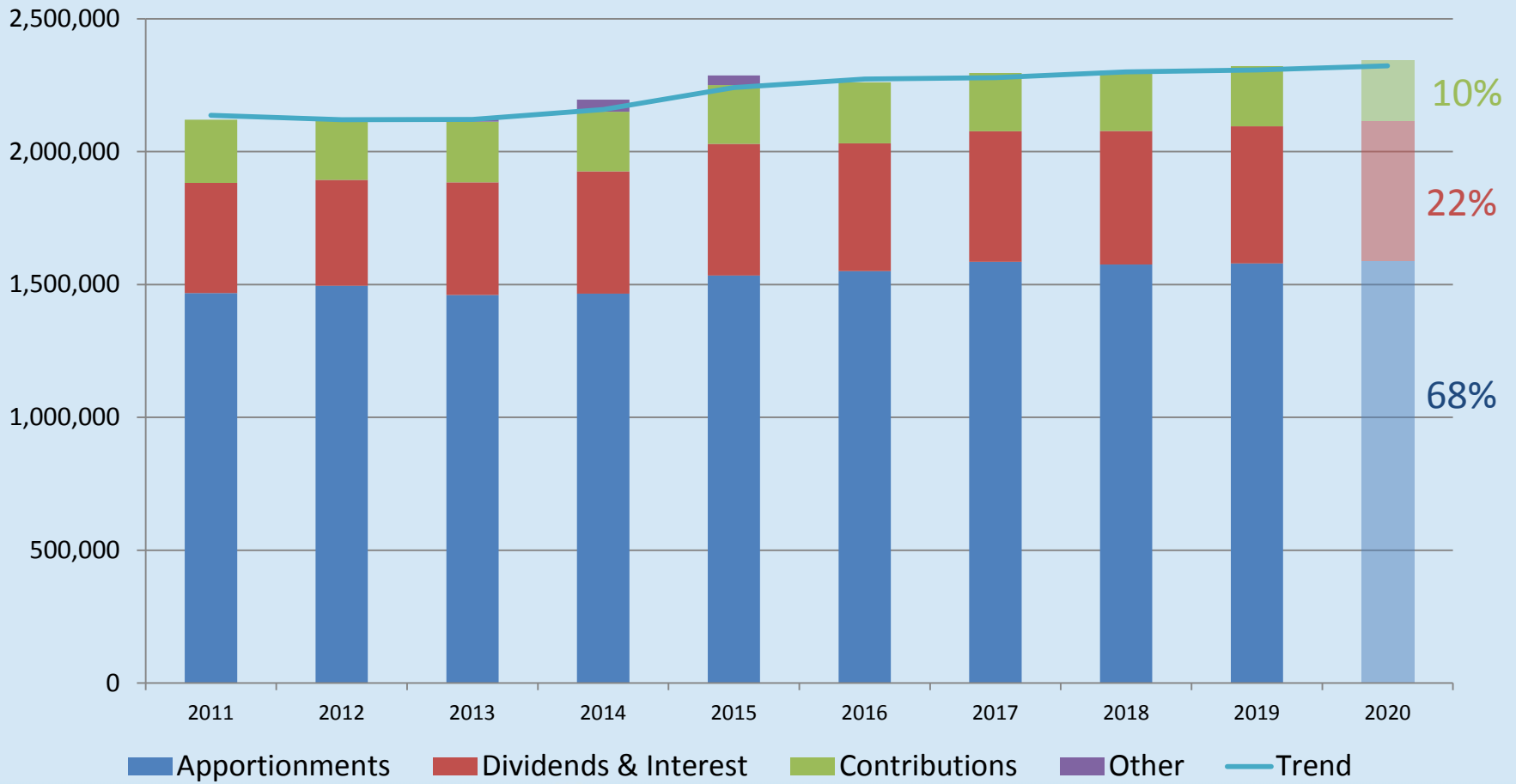
■ Full Apportionment	1,726,000	1,722,000
■ Total Pledges	1,595,000	1,607,000
■ Budget	1,569,000	1,579,000

# Other Funding Sources





# Operating Revenues - 10 Year Trend



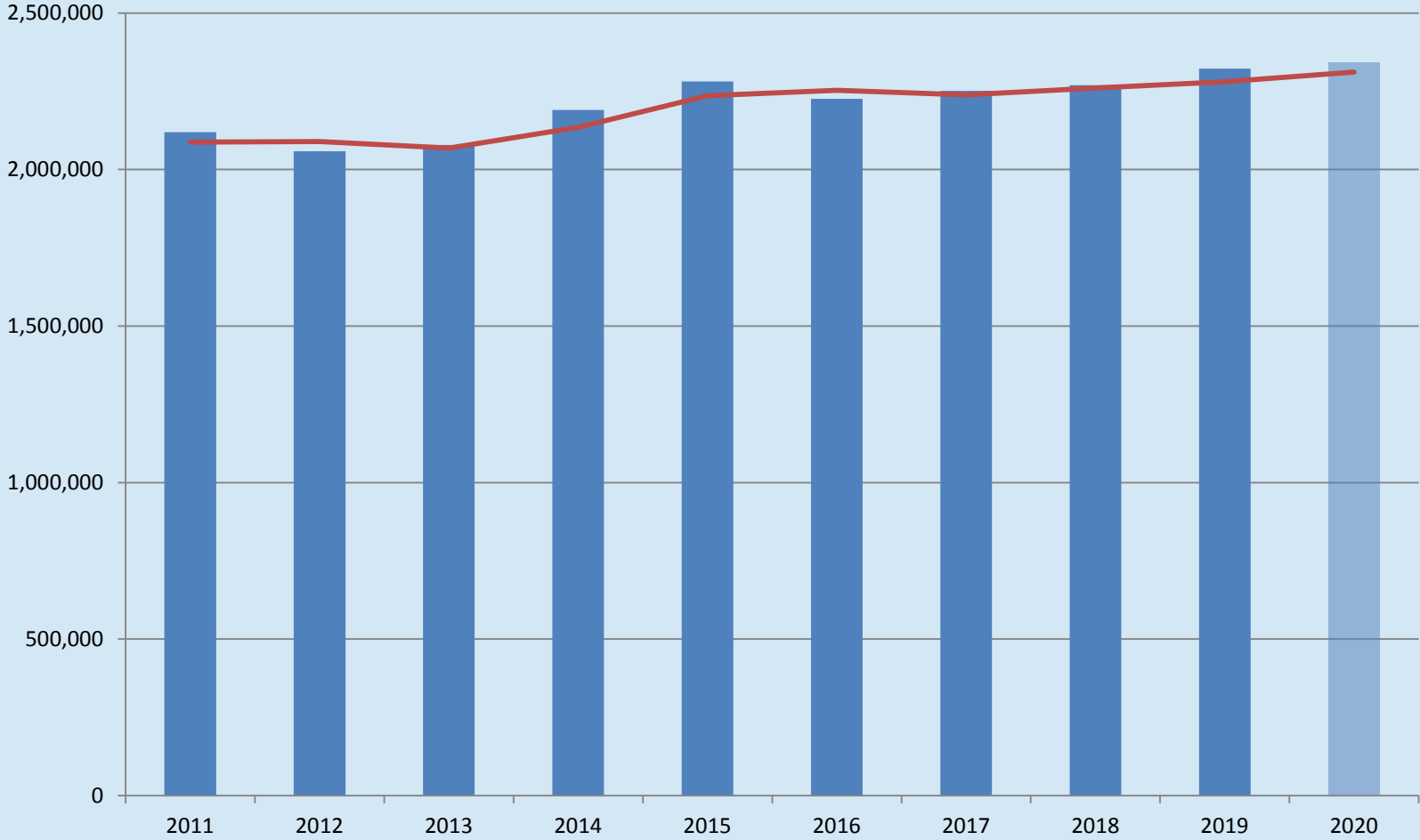
# *Proposed Changes to 2020 Operating Expenses*

- 1.5% COLA for staff
- 5% increase in healthcare premiums
- \$2k boost to diocesan center maintenance
- \$7k adjust for diocesan convention
- \$1,500 for new YAYA programming
- \$1,200 to maintain full TEC Assessment (15%)
- \$6k increase in accrual of future bishop transition
- \$2k more for Social Advocacy grants

# *Proposed 2020 Operating Expenses*

Salaries & Benefits	\$1,192,721	Conf, Meetings, Events	117,600
Professional Fees	90,850	Denominational Support	346,950
Occupancy	174,300	Travel & Related	85,200
Office Expenses	60,870	Grants & Partnerships	214,629
Communications	37,800	Equipment	<u>21,360</u>
		Total Operating Expenses	<u>\$2,342,280</u>

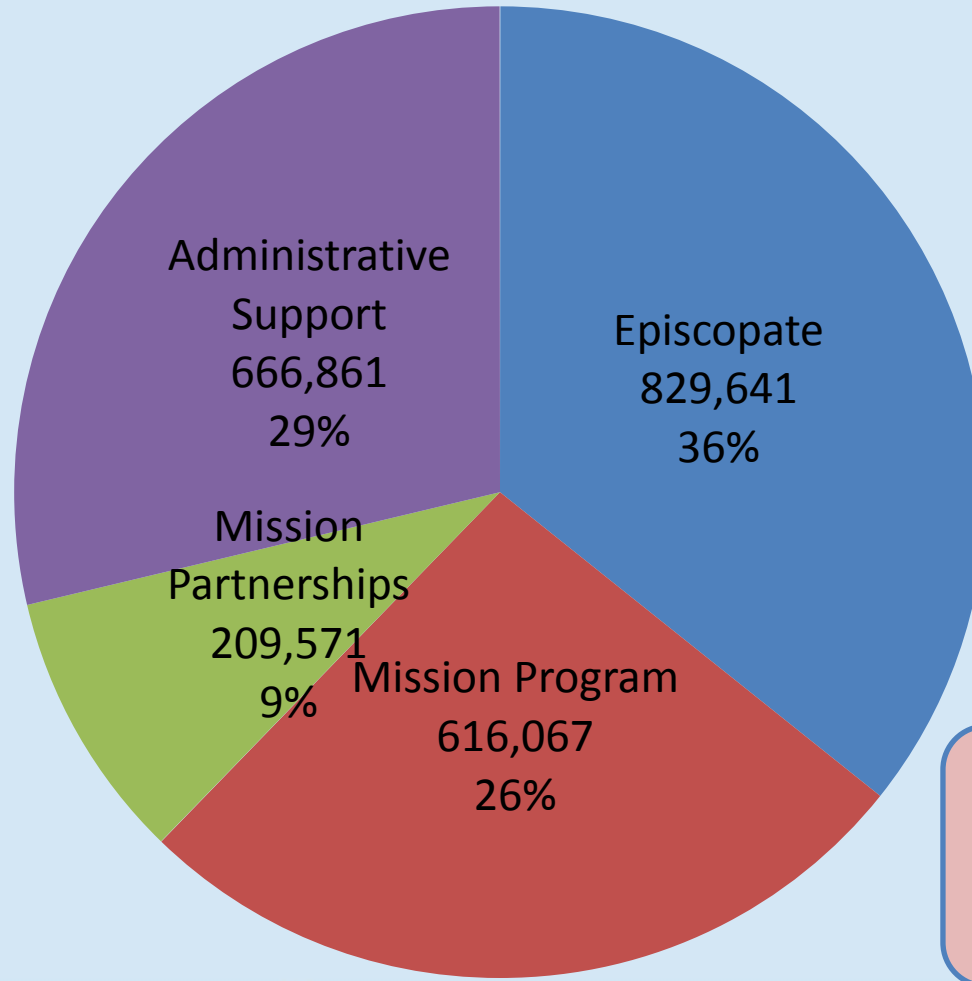
# *Operating Expenses – 10 Year Trend*



# 2020 Operating Expenses by Program

-Diocesan Center maintenance and technology  
-Finance, accounting, payroll  
-Administration  
-Property & Liability Insurance  
-Copy, postage,

-Campus Ministry  
-SDGs and Companion Diocese  
-Advocacy  
Ministries grants  
-Social Ministry grants



-TEC Assessment  
-Diocesan Convention  
-Standing Committee, COM, Diocesan Council  
-Bishop's Office  
-House of Bishops/TEC  
-Bishop Transition

-Congregational Develop  
-Transition Ministry  
-YAYA  
-Ministry Development  
-Lifelong Formation

# *2021 Draft Budget*

- Apportionment Pledges up slightly
- Dividend Income also up slightly
- Full TEC Assessment of 15% maintained

# *Budget Resolution*

- RESOLVED, that the 2020 Operating Budget of the Diocese of Michigan be in the amount of \$2,342,280 and be it further
- RESOLVED, that the Diocesan Council shall have the authority to adjust the adopted budget in keeping with income assured from pledges received and other expected income and be it further
- RESOLVED, that the formula for calculating the apportionment for congregational support of the 2021 diocesan budget will be based on 10% of the three year average of each congregation's normal operating income as reported in the Parochial Report in the years 2017, 2018, and 2019.

