



Report of the Joint Budget Committee on the 2024 MSF Budget

Joint Budget Committee Process

Appointed by Bishop Taylor, the Joint Budget Committee (JBC) comprises members of the Diocesan Council and directors of the Corporation of the Diocese. It is convened by Canon Andy Tomat, the Diocesan treasurer, and advised and assisted by the chief finance officer, the Rev. Susan Stanton. The Committee and its subcommittees met frequently from July through October to review proposed expenses and income. Through discernment of significant fundamental changes to income and expenses, the JBC produced a balanced budget of \$11,015,000 consolidated, with a \$5,788,130 Mission Share Fund (MSF) portion (including \$4,945,000 coming from assessments), which the Convention is asked to approve. COTD and the Bishop as Corporation Sole have already approved their portions.

Consolidated Budget Presentation

This consolidated budget is balanced without depleting unrestricted cash, investments, or principal from the endowment and restricted funds in Corp Sole, the COTD, or aspirational fundraising expectations as in prior years.

At the recommendation of the Diocesan Council, the Convention Delegates are asked to prayerfully review the MSF portion (highlighted in the pink column). The allocation of expenses to MSF follows Canon 19.06 in providing funds for “the equitable share of the general church program budget” as well as “the funding of deanery programs and to the ministry of area pastors,” specifically mission vicars.

In addition to the budget summary presented here, line-item detail is available online at www.diocesela.org/convention/budget. Estimated year-end 2023 results are also shown online for each income and expense line item.

Income Assumptions

Mission Share Fund income comes primarily from assessments from parishes and mission congregations. Based on feedback from the Diocesan Council, the JBC set the expected levels of MSF income from parishes and mission congregations in 2023 at \$4,945,000. The 2024 Mission Share Budget assumes that every parish will pay at least 12% of their 2022 NOI, in keeping with last year's announcement by Diocesan leadership that, as is the case in most dioceses in The Episcopal Church, we would adopt a system of mandatory assessments effective January 1, 2024 (Every mission congregation already pays 10% of pledge and plate, plus an additional 5% for special savings accounts). As promised, the diocese is implementing an assessment review committee (ARC) process for parishes that struggle to reach 12%.

The Corp Sole portion is primarily income, not principal, from restricted funds. The COTD-controlled portion includes a combination of grant income (primarily for IRIS and Seeds of Hope), raised funds from an Annual Bishops Dinner to be used to fund the newly created position of the director of advancement, and program income to support salary continuation (unemployment) benefits for participating parishes, missions, and schools.

Expense Assumptions

On the expense side, through prayerful discernment and debate, the JBC proposed budget reduced 2024 spending by 5.3% compared to 2023 based primarily on reduced expectations for grant income. Initial funding requested by all participating ministries not receiving grant funding exceeded projected income by \$469,816. The primary reductions in diocesan spending in 2024 result from insufficient grant funding to grow the Center for Lay Chaplaincy at its initially planned rate and the changing needs for the services provided by Interfaith Refugee & Immigration Service and Seeds of Hope.

Final Prayers of Thanks

The Committee wishes to offer prayers of thanks to Bishop John Harvey Taylor for moving the diocese towards a new model of transparency and governance, especially for the invaluable assistance of our Finance Department under the leadership of our CFO, the Rev. Susan Stanton, and Controller Martha Macias.

Respectfully submitted by the Joint Budget Committee:

Dr. Charlotte Borst (COTD)

Mr. Artur Grigorian (COTD)

The Rev. Tim Hartley (Diocesan Council)

Mr. Dave Moreno (Diocesan Council)

Ms. Mary Pierson (COTD)

The Rev. Patrica Stansfield (Diocesan Council)

Canon Andy Tomat (Treasurer and Committee Convener)

As assisted by the diocesan finance office:

The Rev. Susan Stanton, CFO

Ms. Martha Macias, Controller

Ms. Carla Burgess, Accounts Receivable Manager

Ms. Melania Garibay, Accounts Payable Manager

Ms. Julie Kelly, Administrative Assistant to the CFO

Canon Abigail Urquidi, Canon for Congregational Support