

Episcopal Diocese of New York

Supplement to the Narrative Budget for 2021

Date: October 1, 2020

From: The Rev. Matthew Hoxsie Mead, Chair of the Budget Committee

To: Convention of the Diocese of new York

CC: The Right Reverend Andrew M L Dietsche, Bishop of New York; The Right Reverend Allen K. Shin, Bishop Suffragan; The Right Reverend Mary D. Glasspool, Bishop Assistant; Council of the Diocese; Trustees of the Diocese; Ms. Esslie W. Hughes, Chief of Finance and Operations; Sr. Faith Margaret, CHS, Treasurer; Ms. Alice Yurke, Esq., Chancellor; Bishop's Senior Staff.

The Budget Narrative is divided into two parts:

- 1) Executive Summary of the Narrative Budget**
- 2) Supplement to the Narrative Budget**
 - a. Line by line background on Income for 2021
 - b. Line by line background on Disbursements for 2021
 - c. Committee & Members
 - d. Resolutions of the Budget Committee

Executive Summary

Background

2020 has been a challenging year due to the Covid-19 Pandemic, the related stoppage/closure of nearly all in-person business and activities (including worship), and the economic downturn associated with closures and stoppages. Unemployment soared and investment markets sunk by nearly 1/3, though those markets have mostly returned to previous levels. On March 15, 2020, all church buildings were ordered closed by the Bishop and all unessential in-person activities were forbidden by the state and diocese. Churches were allowed to reopen on July 1. As of late September, many churches had not yet reopened, and even in those that had, things were still far from normal. From a financial perspective, this has meant that that investment drawdowns were and may still be precarious, that pledged income and rental income are open questions in most congregations, and that most congregations are receiving lower than normal, on-site plate and donations.

On March 20, 2020, the chairs of the diocesan Finance, Budget, and Investment Committees and Adjustment Board held an emergency meeting with the Treasurer, CF&O and Controller to try to determine the financial position of the diocese. The attendees at that meeting along with several other Trustees have continued to meet every or every other Thursday since March 26, 2020, to keep track of diocesan cash flow, investments, apportioned share income, and spending. It was

immediately clear that the 2020 budget passed at the 2019 Diocesan Convention was not sustainable and that we would run out of cash in early 2021 if changes were not made as soon as possible.

Canon 17.1.6 of the Diocese of New York provides a mechanism for the budget to be materially adjusted between Conventions, and following that procedure, the Chairs of the Budget and Finance Committees, CF&O, Controller, and Treasurer, drafted a revised budget that was agreed to by Bishop Dietsche, approved by the Trustees and accepted by Diocesan Council. The adjustments amounted to an across the board 25% reduction in apportioned shares for those congregations who needed it (most did), emergency cuts amounting to nearly \$1,000,000, and temporary freezes or deferrals to numerous lines. We did not reduce any salaries or lay off any employees or staff, but nearly every committee and non-grant program of the diocese was temporarily defunded for 2020, and the budgeted funding of most of our reserves (General Convention, Bishops' Elections, Lambeth) was zeroed out for 2020. Our payment to the Episcopal Church and Property Support Grants (except for emergencies) were temporarily frozen – TEC allowed any diocese to defer payment if needed, and we are currently three months behind on our TEC assessment. All of that left a projected deficit of \$1,700,000 for 2020. Additionally, the diocese applied for and received a PPP loan/grant. The combination of emergency budget adjustments and PPP pushed our cashflow “runway” to the end of 2021. We essentially bought ourselves time to craft a realistic budget for 2021. This would not have been possible unless Trinity Church Wall Street agreed to pay its apportioned share for 2020 in full.

In June the Budget Committee for 2021 was formed by Bishop Dietsche. The committee is significantly larger than it has been in past years. It includes numerous chairs of committees of Diocesan Council, lay and clergy leaders from the different regions of the diocese, and the entire “Thursday Group” which includes chairs and/or representatives from the financial committees of the diocese.

Every congregation is unique and has different resources and challenges. Having a larger than usual committee helped us to determine some of the unknowns that seemed to be common questions for our congregations as we look ahead to 2021.

- When will our congregations be able to reopen safely and fully?
- Will rental income return when tenants are able to use church space again?
- What results will stewardship campaigns for 2021 see?
- Will grants and outside support that were relied on in the past be available?
- Will pledge and plate income return to normal levels in 2021?
- Will there be a second round of PPP?
- Will there be a second round of Apportioned Share relief from the Diocese of New York?

The Proposed 2021 Budget falls somewhere between the optimism of the original 2020 Convention Budget and the austerity of the Revised 2020 Budget. Line by line details are available in the Supplement to this Executive Summary. Below are highlights of income and disbursements.

Income Highlights

Income from Apportioned Shares is projected to be down from normal levels due to projected adjustments and non/under payment. Our projection for 2021 is based on looking at every congregation's current and recent payment patterns, as well as on those congregations (over 100) that helpfully replied to the survey we sent out in August. It is quite obvious that most of our congregations are not yet "back to normal" and many do not expect to be in the immediate future. With that in mind we are working with the Adjustment Board to ensure that there will be Apportioned Share relief for those congregations that need, request, and apply for it. Details of this relief will be provided by the Adjustment Board, but the Projected Adjustments / Unpaid Apportioned Shares (Line 004) includes relief for 2021 for our congregations that will need it. Overall, we project about \$2,800,000 in Projected Adjustments / Unpaid Apportioned Shares. This is in addition to more than \$552,000 in already agreed upon adjustments for 2021 (Line 002). This totals \$3.35M in adjustments or unpaid apportioned shares. For context, in a normal year we would expect somewhere between 1/2 to 1/3 of that total.

Additionally, our overall operating income for 2021 will be reduced by a \$600,000 contribution/transfer to the General Endowment – Recall Canon 17.3.4: "If the Apportioned Share of any Congregation shall exceed 25% of the total budget of Diocesan expenditures in any one budget year, the excess shall be applied to the Diocesan General Endowment Fund." In recent years the 25% Cap has been reached by Trinity Church Wall Street. The 25% Cap exists for at least two important reasons: 1) No one congregation is supporting the bulk of the diocesan budgeted expenditures; 2) The Cap serves as a built-in mechanism to ensure that the endowment grows. The Budget Committee discussed at length whether suspending the "25% Cap" for 2021 was a viable way to easily balance the budget. We decided and voted against that for the following reasons:

- Once that precedent had been set, even if it had been set in an emergency year, it would be more likely to be repeated.
- There were other ways to balance the budget.
- Doing so would require a suspension of the Canons, which in turn would require consent of Convention, and we were not confident Convention would approve suspending that Canon.
- We do not lose the income, in fact, such a large contribution to the general endowment will greatly help the diocese remain sustainable in the long run. Case in point, the endowment draw for 2021 is \$25,000 more than 2020 due to the fact that our endowment has grown over the past few years.

Though we do not recommend or support suspending the 25% Cap for 2021, we do recommend that Trustees examine the language of Canon 17.3.4 to see if a flat 25% is the right percentage for the foreseeable future. There could be other methods or a larger percentage (30%?) that would still ensure no one congregation is supporting the bulk of the diocesan budget and still building up the endowment.

Our Endowment draw is up. We discussed a larger than normal draw and decided against it for many of the same reasons we decided not to suspend the 25% Cap.

The Contingency line has been halved from 3% of income to 1.5% - the number is “rounded” to balance the budget.

We are as confident as we can be, based on what we know and the research we have done, that we are being neither overly conservative nor overly optimistic with our income projections.

Disbursement Highlights

The Diocese of New York granted a 25% Apportioned Share reduction for 2020 to every congregation that needed it, and we anticipate some Apportioned Share relief to be offered by the Adjustment Board for 2021. The Episcopal Church has already granted permission for any diocese to defer payments and invited appeals for 2020 and 2021. Because we have granted needed relief to our congregations, we are optimistic that the Episcopal Church will consider that we too need relief, and so we are appealing our Assessment to the Episcopal Church for 2021 and asking for a one-time reduction of 25%. The Proposed 2021 Budget decreases our calculated assessment to the Episcopal Church for 2021 by 25%. We hope our appeal is granted; if it is not, we have budgeted deferral of one quarter of our Assessment for 2021.

Salaries for all staff and employees paid by the diocese are flat for 2021. Salary reductions and targeted staff cuts were considered and discussed in depth by members of the Budget and Finance Committees and the Bishop of New York. We decided against both for several reasons:

- Salary reductions and the prospect of staff cuts are morale killers, and often create unintended ripple effects such as early and unplanned retirements, unexpected turnover, or set an example for congregations that reducing salaries is the “diocesan” way to balance a tight budget.
- We didn’t need to cut salaries or staff to balance the budget.
- The numbers didn’t add up to all that much money. Heavy salary reductions amounted to only about \$300,000, more targeted reductions amounted to much less.
- Staff cuts don’t save that much money due to potential severance packages, and they are permanent. Because most of our ministry offices are run by one person with minimal support staff, staff cuts essentially end ministries that the diocese is able to offer.

Every line was gone over with a “fine-toothed comb”. Expenses that could be cut were cut. Office expenses and all travel, meals, and meetings expenses (for staff as well as for committees) were budgeted at lower levels in the assumption that there will be online meetings and events for the foreseeable future and certainly for most of 2021.

Some lines that include personnel have been lowered. Not one position has been removed, and no salary has been reduced. In every case, the budget has removed dollars that existed for future expansion for new positions or increasing program spending.

All commissions and programs were budgeted either at the amount they asked or about 90% of what they asked. Those that received their full request trimmed their own budgets in other lines or reduced their request.

Necessary special projects of the finance committee stemming from the strategic plan have been deferred again.

The budget is tight but balanced, which predicts that our cashflow “runway” will not run out in 2021. Our runway calculations include many variables that could change significantly. If the economic outlook for 2021 improves sooner, we expect fewer congregations to seek relief from the Adjustment Board. However, if the economic outlook for 2021 gets worse, then the Trustees may once again have to make a mid-year adjustment.

I am very grateful for the support and oversight of Bishop Dietsche and his staff. I am very grateful for staff of the Finance Office, in particular Esslie Hughes and Karin Almquist, for our Treasurer Sr. Faith Margaret, CHS, for Keith Rook who is chair of the Finance Committee, and for the members of the Budget Committee.

The Budget Committee recommends approval of the 2021 Proposed Budget. The Proposed Budget was approved by Council on September 29 2020.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matthew Hoxsie Mead". The signature is fluid and cursive, with a large loop at the top.

The Rev. Matthew Hoxsie Mead
Chair of the Budget Committee

Supplement to the Narrative Budget

Section A: Line by line background on Income for 2021

INCOME FROM APPORTIONED SHARES

Line 001: Gross Calculated Apportioned Shares (as of August 31, 2020)

- **2021 Proposed Budget: \$13,584,385**
- **2020 Revised Budget: \$13,109,557**
- **2020 Budget: \$13,109,557**

This is an increase of \$474,828 over both the 2020 Budget and 2020 Revised Budget.

An Apportioned Share is computed for each congregation (see Canon 17 of the Canons of the Diocese of New York). The following formula is applied to each congregation's average Normal Operating Income (NOI) for the preceding two years:

- 4% of income from \$1 to \$50,000, plus
- 10% of income from \$50,000 to \$200,000, plus
- 15% of income from \$200,000 to \$500,000, plus
- 20% of all income above \$500,000

The sum total of every congregation's computed Apportioned Share prior to any adjustment is shown in the budget as "Gross Calculated Apportioned Shares". The "as of" date takes into account the reality that the Finance Office has not necessarily received every congregation's parochial report which includes NOI for the preceding year. When NOI is missing, the Finance Office assumes a 5% increase in NOI.

Line 002: Total Adjustments due to 12.5% Cap & Adjustment Board (as of August 31, 2020)

- **2021 Proposed Budget: \$(552,565)**
- **2020 Revised Budget: \$(422,157)**
- **2020 Budget: \$(422,157)**

This line reduces income from Apportioned Shares via one of two canonically approved mechanisms. The 2021 Budget reduction is (\$130,408) larger than both the 2020 Budget and 2020 Revised Budget.

A congregation's computed Apportioned Share for any year normally can increase by no more than 12.5% over its computed Apportioned Share for the immediately preceding year (see Canon 17 of the Canons of the Diocese of New York).

The Adjustment Board, a Committee of the Diocesan Board of Trustees, may reduce or defer a congregation's Apportioned Share for one or more years (see Canon 17 of the Canons of the

Diocese of New York). Any congregation may appeal its Apportioned Shares to the Adjustment Board. The Adjustment Board may affirm, adjust or defer all or a portion of a congregation's Apportioned Shares at a requested hearing. Any congregation may appeal the Adjustment Board's decision to the Trustees. The "as of" date indicates the reality that the Adjustment Board is able to determine adjustments or deferrals for the coming year, even after the budget has been approved. Only known adjustments are shown in this line.

Line 003: CSP Transition Apportioned Share Reductions

- **2021 Proposed Budget: \$0**
- **2020 Revised Budget: \$(31,394)**
- **2020 Budget: \$(31,394)**

This line reduced income from Apportioned Shares via the "CSP sunset plan" which was part of the Strategic Plan in 2016 and is the aggregate sum of apportioned shares that are calculated but not billed to some former Congregational Support Plan (CSP) churches during their transitional period. 2020 was the final year of the sunset plan and so there is no reduction for 2021.

Line 004a: Emergency CAS Relief (25% granted for 2020)

- **2021 Proposed Budget: \$0**
- **2020 Revised Budget: \$(2,376,502)**
- **2020 Budget: \$0**

This line reduced income from Apportioned Shares for 2020. This line was created for the 2020 Revised Budget to provide emergency financial relief to congregations in the form of a one-time, 25% Apportioned Share reduction for every congregation during the pandemic and related shutdowns and economic downturn. This was possible because Trinity Church Wall Street agreed to pay its apportioned share for 2020 in full. Apportioned Share relief for 2021 will be offered by the Adjustment Board which is the normal canonical mechanism in our diocese, and so for 2021 this line is not budgeted.

Line 004: Reserve: Bad Debt & Projected Adjustments

- **2021 Proposed Budget: \$(2,800,000)**
- **2020 Revised Budget: \$(1,250,000)**
- **2020 Budget: \$(1,250,000)**

This line reduces income from Apportioned Shares. The 2021 Budget reduction is (\$1,550,000) larger than both the 2020 Budget and 2020 Revised Budget. Because the 2021 Budget does not have a line dedicated to "Emergency CAS Relief" all projected relief that will be offered by the Adjustment Board for 2021 is built into this Line 004.

There was considerable overlap between lines 004a and 004 in the 2020 Revised Budget which means that the aggregate amount of those in the 2020 Revised budget is greater than what we anticipate for 2021.

The Budget Committee (working with members of the Finance Committee, Adjustment Board, Bishop's Office, and Finance Office) determines a realistic amount of bad debt that might occur by projected adjustments or underpayment. This determination is done on a congregation-by-congregation basis and takes into account historical payment trends from the past decade, accumulated arrearages, whether the congregation has been in contact with the Adjustment Board or bishop's office, and realities in the life of the parish. For 2021 we were also able to take account feedback from those congregations (over 100) that helpfully replied to the survey we sent out in August.

Income from Apportioned Shares is projected to be down from normal levels due to projected adjustments and non/under payment. It is quite obvious that most of our congregations are not yet "back to normal" and many do not expect to be in the immediate future. With that in mind we are working with the Adjustment Board to ensure that there will be Apportioned Share relief for those congregations that need, request, and apply for it. Details of this relief will be provided by the Adjustment Board, but the Projected Adjustments / Unpaid Apportioned Shares (Line 004) includes relief for 2021 for our congregations that will need it. Overall, we project about \$2,800,000 in Projected Adjustments / Unpaid Apportioned Shares. This is in addition to more than \$552,000 in already agreed upon adjustments for 2021 (Line 002). This totals \$3.35M in adjustments or unpaid apportioned shares. For context, in a normal year we would expect somewhere between 1/2 to 1/3 of that total.

Line 005: Net Income from Apportioned Shares

- **2021 Proposed Budget: \$10,231,820**
- **2020 Revised Budget: \$9,029,504**
- **2020 Budget: \$11,406,006**

Our net income from Apportioned Shares for 2021 is forecast to increase by \$1,202,316 over the 2020 Budget but to decrease by \$(1,174,186) from the 2020 Budget.

Net Income from Apportioned Shares is the aggregate total of Apportioned Shares that we are confident we will receive in the coming year. Historically we "net" somewhere between 80% and 90% of Gross Calculated Apportioned Shares. Heading into 2020 we were confident that we would net about 87%. The pandemic and continued unknowns make forecasting 2021 challenging, but we are confident we will net about 75% of our Apportioned Shares – this percentage is based on known adjustments and detailed projections of likely adjustments and non/underpayment.

INCOME FROM OTHER SOURCES

Line 006: Total Allocation from the General Endowment

- **2021 Proposed Budget: \$916,162**
- **2020 Revised Budget: \$891,493**
- **2020 Budget: \$891,493**

The diocese has a general endowment that funds the budget. A draw down from a portion of these funds, based on the guideline of 4.5% of the 23 quarter rolling average principle, is included in the diocesan budget. The endowment draw down for 2021 will increase by \$24,669 over both the 2020 Budget and 2020 Revised Budget.

Line 007: Contribution to General Endowment (25% Cap)

- **2021 Proposed Budget: \$(608,607)**
- **2020 Revised Budget: \$(379,825)**
- **2020 Budget: \$(161,750)**

This line is either zero or a negative line. The Canons of the Diocese of New York state: “If the Apportioned Share of any Congregation shall exceed 25% of the total budget of Diocesan expenditures in any one budget year, the excess shall be applied to the Diocesan General Endowment Fund.” (Canon 17.3.4). The Apportioned Share of Trinity Church, Wall Street, has from time to time exceeded ¼ of the total budgeted expenditures of the diocese for a given year and will again in 2021. The amount of money in this line is the portion of Trinity’s Assessment which cannot fund the operating budget (thus it is negative) and which is therefore transferred to the General Endowment of the Diocese of New York. Thus, the General Endowment will grow by \$608,607 in 2021.

Line 008: Trust Income

- **2021 Proposed Budget: \$37,000**
- **2020 Revised Budget: \$37,000**
- **2020 Budget: \$37,000**

Trust Income represents income the diocese receives from Trusts set up to fund the Episcopate. The amount is flat for 2021.

Trust income comes from two trusts which are designated to fund the Episcopacy. Income from one of these trusts has been reallocated to fund sabbaticals for our bishops (Note that sabbaticals for bishops are not eligible for Lilly Grants).

Line 009: Fee Income

- **2021 Proposed Budget: \$80,000**
- **2020 Revised Budget: \$80,000**
- **2020 Budget: \$80,000**

This is the income from various services provided by the diocese for congregation and other organizations. The amount is flat for 2021.

Line 010: Diocesan Convention Fee Income

- **2021 Proposed Budget: \$75,000**
- **2020 Revised Budget: \$75,000**
- **2020 Budget: \$75,000**

The Diocese collects fees from congregations to offset the expense of Diocesan Convention. The amount is flat for 2021.

Line 011: Net Income From Other Sources

- **2021 Proposed Budget: \$499,555**
- **2020 Revised Budget: \$703,668**
- **2020 Budget: \$921,743**

Net income from other sources will be down for 2021 due to the larger than normal contribution to the General Endowment (see Line 007 above).

Line 012 Contingency (3% of total income) (1.5% for 2021)

- **2021 Proposed Budget: \$(165,803)**
- **2020 Revised Budget: \$(374,748)**
- **2020 Budget \$(374,748)**

A contingency is built into the budget on the income side. For 2020 the Contingency was 3%. The amount was not adjusted for the 2020 Revised Budget. For 2021 the Contingency was temporarily reduced to 1.5% (and “rounded” up to balance the budget).

Line 013: Total Income

- **2021 Proposed Budget: \$10,565,572**
- **2020 Revised Budget: \$9,358,424**
- **2020 Budget \$11,953,001**

Total income is projected to be \$(1,387,429) less than the 2020 Budget and \$1,207,148 more than the 2020 Revised Budget.

Section B: Line by line background on Disbursements for 2021

Line 101: Assessment to The Episcopal Church

- **2021 Proposed Budget: \$1,321,421**
- **2020 Revised Budget: \$1,750,000**
- **2020 Budget \$1,750,000**

We budgeted our full Assessment to the Episcopal Church in 2020. Because of the pandemic and economic downturn the Episcopal Church has already granted permission for any diocese to defer payments and invited appeals for 2020 and 2021. Because we have granted needed relief to our congregations, we are optimistic that the Episcopal Church will consider that we too need relief, and so we are appealing our Assessment to the Episcopal Church for 2021 and asking for a one-time reduction of 25%. The Proposed 2021 Budget decreases our calculated assessment to the Episcopal Church for 2021 by 25%. We hope our appeal is granted; if it is not, we have budgeted deferral of one quarter of our Assessment for 2021.

As the congregations in the Diocese of New York have canonically agreed to support the Diocese through each congregation's Apportioned Share, so too the Dioceses have agreed to support The Episcopal Church. The Episcopal Church passes a three-year budget at each General Convention and includes a formula for calculating the financial obligation of each diocese for those three years. Each diocese is assigned an Assessment of 15% of its operating budget. The formula is more complicated than a simple percentage: there are exceptions, averages of years, a lag time, and a number of different variables that complicate how each diocese's operating budget is calculated, and the Assessment is the agreed upon percentage of that final calculated amount. The formula operates on a two-year lag. Similar to what our own diocese does with the Adjustment Board, the Episcopal Church offers a mechanism for a diocese to appeal its Assessment.

Line 102: Assessment to Province II

- **2021 Proposed Budget: \$15,500**
- **2020 Revised Budget: \$0**
- **2020 Budget \$15,500**

This line has been budgeted at full levels for 2021. It was cut when the Budget was Revised in 2020.

This line helps cover expenses associated with the work of Province II. The figure is determined by a formula and is approved at Provincial Synod every triennium. The purpose and mission of Province II, the International Atlantic Province, is to foster and support the Church's mission and ministry in a regional coalition of the Dioceses in the States of New York and New Jersey, Haiti, Cuba, the Virgin Islands, and the Convocation of Episcopal Churches in Europe, by providing regular channels and systems of communication, promotion, support, education and fellowship.

Line 201: Reserve for Annual Diocesan Convention

- **2021 Proposed Budget: \$175,000**
- **2020 Revised Budget: \$175,000**
- **2020 Budget \$175,000**

This line has been budgeted at full levels for 2021.

The expense line has been set up as a reserve fund so that the Diocese will spend roughly the same amount each year, rather than seeing a major increase every time there is a two-day convention. The reserve funds the expenses associated with Convention such as security, electronic support, and building use. Diocesan Convention Fee income partially offsets the expense of providing Convention and is listed on the Summary Income page of the Budget.

Line 202: Reserve for Future Episcopal Elections

- **2021 Proposed Budget: \$50,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$50,000**

This line has been budgeted at full levels for 2021. It was cut when the Budget was Revised in 2020.

The expenses for Episcopal elections include: expenses for the Committee to Elect; publications; travel, lodging, and meals for candidates; Ordination/Consecration/Seating expenses; travel and lodging expenses for several consecrating bishops; relocation expenses; etc. The reserve must be funded at a level that allows for our diocese to replace a Suffragan or Diocesan Bishop upon retirement/resignation/death or when a Coadjutor is called.

Line 203: Reserve for Deputies to General Convention & Provincial Synod

- **2021 Proposed Budget: \$25,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$25,000**

This line has been budgeted at full levels for 2021. It was cut when the Budget was Revised in 2020.

General Convention and Provincial Synod occur every three years. The diocese funds fees, travel, lodging, and meals for four clergy deputies, two alternate clergy deputies, four lay deputies, and two alternate deputies. Expenses for our Bishops, their spouses, and any staff that accompany them come from Bishops' Shared Travel – separate House of Bishops meetings are less frequent in General Convention years.

Line 204: Reserve for Lambeth Conference (Travel & All Expenses)

- **2021 Proposed Budget: \$15,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$15,000**

This line has been budgeted at full levels for 2021. It was cut when the Budget was Revised in 2020.

Lambeth occurs about every ten years. The diocese funds fees, travel, lodging, and meals for our Bishops and their spouses.

Line 301: Bishop of New York

- **2021 Proposed Budget: \$288,000**
- **2020 Revised Budget: \$285,000**
- **2020 Budget \$285,000**

Lines 302 & 303: Bishop Suffragan & Bishop Assistant

- **2021 Proposed Budget: \$248,500**
- **2020 Revised Budget: \$244,000**
- **2020 Budget \$244,000**

Line 301-303 have been budgeted flat for 2021. Increases are due to increased medical costs and updated actuals.

These lines cover compensation and all benefits for our Bishops, the Right Reverend Andrew ML Dietsche, the Right Reverend Allen K. Shin, and the Right Reverend Mary D. Glasspool.

Line 304: Bishops' Shared Travel (inside and outside diocese, excluding Lambeth)

- **2021 Proposed Budget: \$40,000**
- **2020 Revised Budget: \$25,000**
- **2020 Budget \$50,000**

This line was reduced when the 2020 Budget was Revised. It remains temporarily reduced for 2021 with the expectation that travel will continue to be limited for a portion of 2021.

This line covers all travel, lodging, and meals for our Bishops for all Episcopal function inside and outside the diocese. Everything from metro-cards, mileage, and taxis to House of Bishops meetings and General Convention. Lambeth expenses are not taken from this line.

Line 305: Bishop of New York Hospitality Expenses

- **2021 Proposed Budget: \$20,000**
- **2020 Revised Budget: \$30,000**
- **2020 Budget \$30,000**

This line has been temporarily reduced for 2021 with the expectation that in-person activities will continue to be limited for a portion of 2021.

This line allows the Diocesan Bishop to provide hospitality.

Line 401: Bishops' Office Expenses (TOTAL)

- **2021 Proposed Budget: \$510,000**
- **2020 Revised Budget: \$530,000**
- **2020 Budget \$530,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

This line includes the immediate staff support and clerical assistance for the Bishops, the Canon to the Ordinary, and their offices. The offices keep the Bishops' calendar for both Diocesan and extra-diocesan events, handles the registration of confirmands and ordinands, maintains the database that keep track of clergy, parishes and lay leadership, the licensing of lay ministers, among other duties.

Line 402: Canon to the Ordinary (Expenses & Compensation)

- **2021 Proposed Budget: \$205,000**
- **2020 Revised Budget: \$205,000**
- **2020 Budget \$205,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Canon John Perris serves as the Canon to the Ordinary in the Diocese of New York and is a primary assistant to, and a representative of, the Bishop of New York. The Canon to the Ordinary, along with the Suffragan Bishop, the Assistant Bishop, and the Chief of Finance and Operations, serves on the Bishop's Executive Team. The Canon to the Ordinary primarily supervises the work of the office of the Bishop and functions much as a "chief of staff" in the supervision, coordination and assistance of the Bishop's Staff. Expenses for this line include compensation and benefits for the Canon to the Ordinary, travel, and all expenses.

Line 403: Canon for Pastoral Care (Expenses & Compensation)

- **2021 Proposed Budget: \$170,000**
- **2020 Revised Budget: \$180,000**
- **2020 Budget \$180,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Canon K. Jeanne Person serves as Canon for Pastoral Care. The Canon for Pastoral Care serves as the Bishop's first line of contact for pastoral concerns relating to diocesan clergy and their families. Expenses covered by this line include compensation and benefits for the Canon for Pastoral Care, travel, meals and hospitality involving time with clergy, and office expenses.

Line 404: Canon for Ministry (Expenses & Compensation)

- **2021 Proposed Budget: \$230,000**
- **2020 Revised Budget: \$240,000**
- **2020 Budget \$240,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Canon Charles W. Simmons serves as Canon for Ministry. Mr. Alito Orsini serves as Liaison for the Ministry Office and Transition Ministry Office. The Canon for Ministry works with the Bishop and the Commission on Ministry to assure that the selection and formation of future ordained leadership from within the Diocese meet the requirements and needs of the Church. Expenses covered by this line include compensation and benefits for the Canon for Ministry, compensation and benefits for an assistant (shared with the Office for Transition Ministry), travel, workshops, Fresh Start Program for the newly ordained and costs for diocesan Discernment Conferences and Ordinations.

Line 405: Canon for Transition Ministry (Expenses & Compensation)

- **2021 Proposed Budget: \$235,000**
- **2020 Revised Budget: \$245,000**
- **2020 Budget \$245,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Canon Nora Smith serves as the Canon for Transition Ministry. Mr. Alito Orsini serves as Liaison for the Ministry Office and Transition Ministry Office. The Canon for

Transition Ministry assists congregations searching for ordained leadership, helps oversee every search process, and advises clergy seeking placement. Expenses covered by this line include compensation and benefits for the Canon for Transition Ministry, compensation and benefits for an assistant (shared with the Office for Ministry which pays the other half), travel, workshops, and office expenses.

Line 501: Canon for Congregational Vitality & Formation (Expenses & Compensation)

- **2021 Proposed Budget: \$195,000**
- **2020 Revised Budget: \$192,000**
- **2020 Budget \$192,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Canon Victor Conrado serves as Canon for Congregational Vitality & Formation. The Canon for Congregational Vitality & Formation supports congregations through leadership development, skill building and planning and implementation of new ministry models. Expenses covered by this line include compensation and benefits for the Canon for Congregational Vitality & Formation, travel, workshops, and office expenses.

Line 502: Liaison for Global Mission (Expenses & Compensation)

- **2021 Proposed Budget: \$168,000**
- **2020 Revised Budget: \$161,000**
- **2020 Budget \$161,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

The Rev. Yamily Bass-Choate serves as Liaison for Global Mission. The Liaison for Global Mission assists the bishops in oversight of the diocese's global mission connections and relationships. She also works with local communities of the diocese to foster and develop their ministry partnerships at home and abroad. Expenses covered by this line include compensation and benefits for the Liaison for Global Mission, travel, workshops, and office expenses.

Line 503: Director of Diocesan Property Services (Expenses & Compensation)

- **2021 Proposed Budget: \$176,000**
- **2020 Revised Budget: \$173,000**
- **2020 Budget \$173,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

Mr. Egbert Stolk serves as the Director of Diocesan Property Services. The Director formulates, implements, and manages the diocesan Property Support program and oversees real property held by the Board of Managers. Expenses for this line include compensation and benefits for the Director of Diocesan Property Services, office expenses, travel, etc.

Line 504: Mid Hudson Region (Expenses & Compensation)

- **2021 Proposed Budget: \$101,000**
- **2020 Revised Budget: \$115,000**
- **2020 Budget \$115,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

Ms. Val Stelcen, Executive Assistant to the Bishop, serves as the Mid Hudson Regional Office Coordinator. The Mid Hudson Office coordinates the workings of the Region and assists in the day to day life of congregations in the Counties of Orange, Sullivan, Ulster, and Dutchess, which includes over 50 congregations. Expenses for this line include compensation and benefits for the Regional Administrator, office expenses, utilities, travel, meetings, conferences, and programs.

Line 505: Public Affairs (Expenses & Compensation)

- **2021 Proposed Budget: \$234,000**
- **2020 Revised Budget: \$210,000**
- **2020 Budget \$210,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

Mr. Nicholas Richardson serves as Communications Director & Editor, The Episcopal New Yorker. The Public Affairs department is responsible for the vital job of communicating the programs, activities and policies of the diocese both internally and externally using all available media, including the diocesan website, microsites on an as-needed basis, email, Online News, social media, the Episcopal New Yorker, postal mail, and events. The Communications Director also provides communications advice and practical assistance to the Bishop's Staff, commissions

and committees; provides and administers free Internet hosting for parishes and other diocesan organizations; and is responsible for handling all press inquiries that come into the diocesan offices. Expenses covered by this line include compensation, benefits, travel, and office expenses for the Public Affairs office.

Line 506: Archives (Expenses & Compensation)

- **2021 Proposed Budget: \$110,000**
- **2020 Revised Budget: \$110,000**
- **2020 Budget \$110,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

Mr. Wayne Kempton serves as Archivist & Historiographer. The archives contain some 2,000 boxes of historical records, including some records for over 400 congregations and all of the original cathedral records. Sacramental records for about 80 congregations, including the cathedral, can also be found there, as well as the personal papers of our bishops and all manner of diocesan business files; legal documents, deeds, some blueprints, and trust fund materials as well. The diocesan archivist also acts as Registrar with respect to keeping the record of Episcopal Acts, like confirmations, the issuance of lay licenses, etc. The archivist also visits parishes wishing to consult on the care of their collections, and acts as records custodian for those parishes with special storage needs; that is, where their records may be in danger of being lost or not cared for, especially the sacramental records. Expenses covered by this line include compensation, benefits, travel, office, and archive expenses for the Archives office.

Line 601: Campus Ministry Clergy (Expenses & Compensation)

- **2021 Proposed Budget: \$430,000**
- **2020 Revised Budget: \$475,000**
- **2020 Budget \$475,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses). Overall program expenses which includes a significant amount of in-person hospitality have been temporarily reduced by \$25,000 in the expectation that in-person events will continue to be limited for a portion of 2021. The Campus Ministry Committee will oversee the allocation of reduced program expenses.

The Diocese of New York has chaplains at numerous campuses within the Diocese of New York. The Committee for Campus Ministry supports the work of the current chaplains, advises the bishops regarding Episcopal ministry to students, faculty and staff of various colleges within diocesan boundaries and serves as a resource about campus ministry for congregations within the diocese. The campuses served include:

- Canterbury Uptown (Columbia/ Barnard Colleges and City College in Harlem and other smaller colleges)
- Canterbury Downtown (Canterbury Club at New York University, New School, Cooper Union, Pace University)
- Cornell University - Weill Medical College
- State University of New York at New Paltz
- United States Military Academy, West Point
- Vassar

Expenses covered by this line provide compensation and benefits for the chaplains and program support.

Line 602: Hispanic Clergy Compensation

- **2021 Proposed Budget: \$400,000**
- **2020 Revised Budget: \$475,000**
- **2020 Budget \$475,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount) and 2021 medical expenses and benefits. The reduction eliminates the possibility of expanding in 2021.

This line funds Hispanic clergy compensation and benefits serving in congregations as determined by the Hispanic Grants Committee, a subcommittee overseen by the Congregational Development Commission, in conversation with the Bishop's Office.

Line 603: Congregations in Strategic Settings Clergy Compensation

- **2021 Proposed Budget: \$970,000**
- **2020 Revised Budget: \$1,100,000**
- **2020 Budget \$1,100,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount) and 2021 medical expenses and benefits. The reduction eliminates the possibility of expanding in 2021.

This line funds clergy compensation and benefits serving congregations that have been designated as Congregations in Strategic Settings.

Line 604: Regional Pastorate Initiative Clergy Compensation

- **2021 Proposed Budget: \$182,000**
- **2020 Revised Budget: \$245,000**
- **2020 Budget \$245,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount) and 2021 medical expenses and benefits. The reduction is based on changes in personnel that occurred before the budget process began.

This line funds clergy compensation and benefits at regional pastorates in the diocese which are overseen by the Bishop's Office. The Regional Pastorate Initiative is part of the Bishop's vision to stabilize and build up the Episcopal Church presence in strategic parts of the diocese.

Line 605: Harlem Initiative Clergy Compensation

- **2021 Proposed Budget: \$108,000**
- **2020 Revised Budget: \$160,000**
- **2020 Budget \$160,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount) and 2021 medical expenses and benefits. The reduction eliminates the possibility of expanding in 2021.

This line funds clergy compensation and benefits at several churches in Harlem. The Bishop's Office oversees how these funds are allocated.

Line 606: Church Plants & Revitalization

- **2021 Proposed Budget: \$142,000**
- **2020 Revised Budget: \$99,000**
- **2020 Budget \$220,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount) and 2021 medical expenses and benefits. The reduction eliminates the possibility of expanding in 2021. Additionally, \$20,000 towards Episcopal Futures has been allocated as requested.

This line includes church plant and revitalization initiatives around the diocese, most recently at St. Peter's Chelsea. The line is overseen by Bishop Shin and the new Church Plants & Revitalization Committee and focuses on models of new church development.

Line 701: Congregational Development Commission Programs

- **2021 Proposed Budget: \$15,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$15,000**

This line is budgeted at the amount requested. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending. Note that the Congregational Development Commission requested a decrease in Next Step Grants (Line 803) which allowed this line to be fully funded.

This line supports the work and programs offered by the Congregational Development Commission.

Line 702: Operational Support for Strategic Hispanic Congregation

- **2021 Proposed Budget: \$20,000**
- **2020 Revised Budget: \$25,000**
- **2020 Budget \$25,000**

This line is budgeted based on 2019 and 2020 Actuals.

This line provides funding for certain expenses for one Strategic Hispanic Congregation.

Line 703: Multicultural Ministries (New Community)

- **2021 Proposed Budget: \$12,000**
- **2020 Revised Budget: \$2,000**
- **2020 Budget \$25,000**

This line is budgeted based on 2019 Actuals. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending.

This line covers programs and funding for Asia-America Ministry, Metropolitan Japanese Ministry, and the Korean church plant.

Line 704: Christian Formation Commission Programs / Young Adult Ministry

- **2021 Proposed Budget: \$54,000**
- **2020 Revised Budget: \$3,000**
- **2020 Budget \$65,000**

This line is budgeted at 90% of the amount requested. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending.

This line supports programs offered by the Christian Formation Commission the Youth and Young Adult Ministries of the Diocese, events such as the Acolytes Festival, Youth leaders

gatherings, training workshops, and the annual Diocesan Summer Youth Conference at Incarnation Camp through scholarships, camp nurse and transportation.

Line 705: Social Concerns Commission

- **2021 Proposed Budget: \$72,900**
- **2020 Revised Budget: \$4,000**
- **2020 Budget \$81,000**

This line is budgeted at 90% of the amount requested. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending.

The Social Concerns Commission includes membership in national and local organizations that promote important social witness by the diocese. Some of the Social Concerns Commission's areas of focus include children's advocacy, anti-racism conversations, study of reparations for slavery, LGBT concerns, protection of the environment, and domestic violence prevention and awareness. This line funds programs and events offered by the Commission as well as grants provided by the Commission.

Line 706: Ecumenical and Multi-Faith Councils Contribution

- **2021 Proposed Budget: \$10,500**
- **2020 Revised Budget: \$0**
- **2020 Budget \$10,500**

This line is budgeted flat for 2021. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending.

The Episcopal Diocese of New York is by charter a member of both the New York State Council of Churches and the Council of Churches of the City of New York, which include other Protestant and Orthodox churches. The councils engage in ecumenical dialogue on subjects of common concern and then translate that dialogue into engagement with city and state government on important issues of public policy. The New York State Council of Churches has been an important advocate for economic justice, criminal justice, anti-violence initiatives and environmental stewardship, and the Council is the credentialing body for chaplains in NYS correctional facilities and other state institutions.

Line 707: Ecumenical & Interfaith Commission

- **2021 Proposed Budget: \$9,000**
- **2020 Revised Budget: \$1,700**
- **2020 Budget \$10,000**

This line is budgeted at 90% of the amount requested. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending.

The line item supports meetings, discussion, shared liturgies, etc. with ecumenical and interfaith dialogue partners and councils. The funding also covers travel expenses of the Diocesan Ecumenical and Interfaith Officer for participation each spring in the annual meeting of the Episcopal Diocesan Ecumenical and Interfaith Officers (EDEIO). It also pays General Convention mandated dues of \$250 each year from each diocese to EDEIO. The Ecumenical and Interfaith Commission is engaged in fruitful dialogues with the Roman Catholic, United Methodist, and Eastern Orthodox churches, as well as with the Jewish and Muslim faith traditions.

Line 708: Global Mission Commission

- **2021 Proposed Budget: \$45,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$52,000**

This line is budgeted at the amount requested which reduced the 2020 amount. It was reduced completely in the 2020 budget revision allowing for no additional 2020 spending. The Global Mission Commission also oversees Sustainable Development Goal Grants (Line 805).

The mission of the Global Mission Commission of the Episcopal Diocese of New York is to educate, empower and inspire individuals and parishes within the Diocese as we respond to God's call for engagement in mission through relationships and spiritual transformation throughout the Anglican Communion. This line funds programs and events offered by the Commission as well as grants provided by the Commission.

Line 709: Companion Diocese Relationship

- **2021 Proposed Budget: \$40,000**
- **2020 Revised Budget: \$40,000**
- **2020 Budget \$40,000**

This line is budgeted flat for 2021.

The Diocese of New York has a companion relationship with the Diocese of Central Tanganyika.

Line 710: Rural and Migrant Ministry

- **2021 Proposed Budget: \$50,000**
- **2020 Revised Budget: \$50,000**
- **2020 Budget \$50,000**

This line is budgeted flat for 2021.

Rural and Migrant Ministry is a multi-faith organization founded by the Diocese of New York and serving rural and migrant people in New York State since 1981 through programs of youth empowerment, education, and accompaniment, and legislative reform. In addition to funding

support from the Diocese of New York, contributions are made from a variety of religious traditions and represent most regions of the State.

Line 711: New York Service & Justice Collaborative (Episcopal Service Corps)

- **2021 Proposed Budget: \$12,500**
- **2020 Revised Budget: \$25,000**
- **2020 Budget \$25,000**

This line is budgeted with a 50% reduction for 2021 as the program is being reduced for the current program year.

This line supports the Episcopal Service Corps in the Diocese of New York. Episcopal Service Corps is a program for young adults, who live in an intentional community at a congregation and work in social justice and community service organizations. The program helps them discern their call to their life's work, and it assists them in developing the skills needed for a life of service.

Line 712: Episcopal New Yorker

- **2021 Proposed Budget: \$45,000**
- **2020 Revised Budget: \$15,500**
- **2020 Budget \$54,000**

This line is budgeted with a reduction for 2021 that will ensure we continue to publish four (thinner) issues.

The ENY is the newsprint quarterly edition of Diocesan news. This line includes purchase of paper, printing, distribution, writing and editing of the newspaper.

Line 713: Support for Episcopal Charities

- **2021 Proposed Budget: \$110,000**
- **2020 Revised Budget: \$125,000**
- **2020 Budget \$125,000**

This line is budgeted as requested and at 2019 levels.

Episcopal Charities is an independent 501(c)(3) foundation, supporting community outreach programs in partnership with Episcopal congregations throughout the Diocese of New York. Programs are available to all persons in need regardless of faith or church affiliation. Grants are made to the following types of programs: Feeding, Skills Building, Health & Wellness, Children's Arts, Children's Academic Enrichment and Summer Recreation. Financial support from the diocese is essential to soliciting funds from other sources.

Line 801: Property Support Committee Grants & Loans

- **2021 Proposed Budget: \$425,000**
- **2020 Revised Budget: \$425,000**
- **2020 Budget \$425,000**

This line is budgeted flat.

Grants are awarded by the Property Support Committee to help fund various buildings projects in parishes and around the diocese. The Property Support Office also administers loans through the Revolving Loan Fund.

Line 802: First Step Grants

- **2021 Proposed Budget: \$25,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$20,000**

This line is increased. The Congregational Development Commission requested reallocation of all Next Step Grants (Line 803) money to allow this line to increase and their program line (Line 701) to be fully restored.

A First Step Grant acts as a catalyst for a congregation that is seriously committed to taking the first substantive steps toward a long-term growth strategy. Funds are awarded to support strategic activities that will result in quantifiable spiritual and numerical growth within congregations. First Step grants are not intended for general operation, on-going program support, or benevolence. Applications are made through the Congregational Development Commission.

Line 803: Next Step Grants

- **2021 Proposed Budget: \$0**
- **2020 Revised Budget: \$0**
- **2020 Budget \$30,000**

This line is zeroed out for 2021 at the request of the Congregational Development Commission to allow for an increase in First Step Grants (Line 802) and for their program line (Line 701) be fully restored.

A Next Step Grant (when funded by the budget) is given to support a congregation making the transition from pastoral to program size by providing temporary, partial funding for an assistant clergy person. Applications are made through the Congregational Development Commission.

Line 804: Hispanic Ministries Grants

- **2021 Proposed Budget: \$50,000**
- **2020 Revised Budget: \$60,000**
- **2020 Budget \$60,000**

This line is budgeted at 2019 levels.

The Hispanic Grants Committee, a subcommittee overseen by the Congregational Development Commission, meets to disburse these grants to Spanish-language/cultural congregations within the diocese.

Line 805: Sustainable Development Goal Grants

- **2021 Proposed Budget: \$74,000**
- **2020 Revised Budget: \$84,000**
- **2020 Budget \$84,000**

This line is budgeted based on a calculation (0.7 % of the disbursements for 2021). The decrease is due to the fact that our disbursements for 2021 have decreased.

The General Convention recommended in 2015 by resolution that every diocese allocate 0.7% of its annual budget to Sustainable Development Grants. The Global Mission Commission allocates these grants.

Line 901: Administration (Expenses & Compensation)

- **2021 Proposed Budget: \$1,542,000**
- **2020 Revised Budget: \$1,595,000**
- **2020 Budget \$1,595,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

Ms. Esslie Hughes serves as Chief of Finance and Operations. The Chief of Finance and Operations, along with the Suffragan Bishop, the Bishop Assistant, and the Canon to the Ordinary, serves on Bishop Dietsche's Executive Team. This line covers all compensation, benefits, office expenses, travel, and any program expenses of the Administrative Staff, Human Resources Department, and Finance Office overseen by the Chief of Finance and Operations.

Line 902: Office Services (Expenses & Compensation)

- **2021 Proposed Budget: \$275,000**
- **2020 Revised Budget: \$325,000**
- **2020 Budget \$325,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

This line includes the basic expenses of operating the diocesan offices. Expenses for this line include compensation and benefits for the office manager, assistant to the office manager, and mail room worker. This line also covers expenses related to the operation of the diocesan offices, such as office supplies, license and registration, telephone, postage, shipping, computers, parking, security, etc.

Line 903: IT Expenses

- **2021 Proposed Budget: \$217,000**
- **2020 Revised Budget: \$175,000**
- **2020 Budget \$175,000**

This line is budgeted for 2021 based on 2021 compensation (kept flat at present amount), 2021 medical expenses and benefits, and 2019 non-compensation expenses (eliminating any one-time expenses).

This line covers our contract for IT services and our IT person.

Line 904: Special Finance Committee Projects

- **2021 Proposed Budget: \$0**
- **2020 Revised Budget: \$0**
- **2020 Budget \$200,000**

This line is deferred (again). It was zeroed out in the 2020 revision and is not budgeted for 2021.

The Finance Committee has been undertaking a variety of special projects recommended by the 2016 Strategic Plan. The projects include updating and implementing policies and procedures around financial matters. The Finance Committee regularly reports to the Bishop and Trustees about the status of these projects.

Line 905: Diocesan & Parish Websites (Web Management)

- **2021 Proposed Budget: \$5,750**
- **2020 Revised Budget: \$4,500**
- **2020 Budget \$4,500**

This line is budgeted as requested.

This line covers expenses associated with the hosting, design, updating, and trouble-shooting of the Diocesan website. The diocese also provides free website hosting and email hosting for any congregation that requests either service.

Line 906: Professional Expenses (Legal, Audit, etc.)

- **2021 Proposed Budget: \$100,000**
- **2020 Revised Budget: \$100,000**
- **2020 Budget \$100,000**

This line is budgeted as requested.

This line funds the annual audit, any legal expenses outside of the normal duties of the chancellor's office, and other professional expenses.

Line 907: Overhead and Fixed Obligations

- **2021 Proposed Budget: \$253,000**
- **2020 Revised Budget: \$300,000**
- **2020 Budget \$300,000**

This line is budgeted as requested and based on cuts where possible.

This line allows for new office furniture purchases, fidelity bond for all diocesan congregations, worker's comp of diocesan employees, unemployment insurance, and retiree health insurance.

Line 908: Cathedral Cost Sharing and Rent

- **2021 Proposed Budget: \$1**
- **2020 Revised Budget: \$1**
- **2020 Budget \$1**

The Diocese of New York utilizes a number of buildings owned and maintained by the Cathedral of St. John the Divine, including office and meeting spaces as well as a residence for Bishop Dietsche. The diocese pays the cathedral \$1 per year for the use of the space. The Diocese of New York rents one apartment in Diocesan House and several parking spaces from the Cathedral of St. John the Divine.

Line 909: Property (EDNY) Management

- **2021 Proposed Budget: \$30,000**
- **2020 Revised Budget: \$0**
- **2020 Budget \$0**

This is a new line which will allow the diocese to properly budget for the ongoing management of properties owned by the diocese.

Line 950: Capital Expenditures Budget

- **2021 Proposed Budget: \$60,000**
- **2020 Revised Budget: \$60,000**
- **2020 Budget \$60,000**

This line funds occasional capital expenditures that are outside the normal operating budget.

Line 1000: Provision for Salary & Benefit Increase

- **2021 Proposed Budget: \$0**
- **2020 Revised Budget: \$77,000**
- **2020 Budget \$77,000**

All compensation is budgeted flat with no salary increases and no cost of living increases for 2021. Medical insurance increases built into benefits and compensation for each line.

This line includes forecast cost of living and salary increases for personnel funded by this budget.

Section C: Committee Organization & Members

According to Canon 17 of the Canons of the Diocese of New York: “The Budget Committee shall consist of: a Chair of this Committee appointed by the Bishop, the Treasurer of the Diocese (ex officio), the Chief of Finance and Operations of the Diocese (ex officio), the Chair of the Finance Committee of the Trustees (ex officio), three (3) members of the Council of the Diocese appointed by the Bishop, two (2) members of the Trustees appointed by the Bishop, and others as appointed annually by the Bishop to this Committee.”

Chair & ex officio members

The Rev. Matthew H. Mead

Christ the Redeemer, Pelham
CHAIR, BUDGET COMMITTEE
Council, ex officio
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Sr. Faith Margaret, C.H.S.

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Treasurer
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Chontel L. Simmons

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The Rev. Lenore (Nora) Smith

Canon for Transition Ministry
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Section D: Resolutions from the Budget Committee

BUDGET COMMITTEE RESOLUTIONS 1 AND 2

Proposer of Resolution: The Rev. Matthew Hoxsie Mead, Chair of the Budget Committee

Parish or Organization: Budget Committee of the Diocese of New York

Telephone and E-mail: 914-738-5515; matthew@christchurchpelham.org

Title of Resolution(s): Adopting the Proposed Budget.

Text of Resolution(s):

[1] Resolved: That the 2021 Apportioned Share Budget presented herewith be adopted; and be it further

[2] Resolved: That the Chief of Finance and Operations shall apportion in accordance with Sec. 2 and Sec. 3 of Canon 17, each congregation's share of the 2021 budget of \$10,565,572. According to Canon 17, Sec. 5, this is to be paid by each congregation in four installments on the fifth day of January, April, July and October 2021.

Commentary on Resolution

These are the standard resolutions that accompany the Proposed Budget in the Calendar of Convention each year.