

September 27, 2012

To: Wardens, Treasurers and Convention Delegates

CC: Diocesan Council, Trustees, Standing Committee

RE: Proposed 2013 Diocesan Budget:

Attached is the updated 2013 budget proposal that was approved by Council at the September 18<sup>th</sup> meeting and will be reviewed at our Pre-Convention District Meetings, before being voted on at Convention. My thanks to those that provided input and feedback to the budget process, including the Retiree Health Benefit Task Force (RHBTf), the Apportionment Task Force (ATF), Committee on Congregational Development (CCD), Communications Committee, Public Policy, Ecumenical & Interfaith Relations and others.

While we typically compare next year's budget to this year's budget, it's also valuable to step back and look at how our income and spending priorities are shifting over a longer period of time. Comparing the proposed 2013 budget to our 2010 actual income and expense, we find some significant shifts in our budgets over these three years:

- Income from investments (primarily the draw from endowment) is down more than 10%, or about \$162,000.
- Total expenditures are down slightly (less than 1%). But, we should recognize that if our expenditures had grown at an annual rate of 2.5% (about the average rate of inflation), our 2013 budget would be more than \$200,000 higher than the proposed budget of \$2.397 M.
- While total operating expenses are roughly flat, we have reduced spending on "administrative structure" (expenses for staff, office & governance) by over \$250,000 annually.
- These savings have allowed us to increase investment in Congregational Development by almost \$200,000, as well as fund additional investments in the focus areas of Communications and Leadership Development.

The changes for all ten of our new expense budget categories are detailed in Exhibit #1.

The most significant budget changes relative to the first draft of the 2013 budget (distributed on May 25<sup>th</sup>), are detailed in the narrative and exhibits included in this communication. Please keep in mind that the "first draft" was just that, a first draft. Changes were made based on suggestions, new information and the dynamic nature of any budget. No budget is perfect, and Council will continue to make adjustments as the 2013 year unfolds.

The work of Council to clarify our mission statement, develop and refine our budget and grant processes, has better equipped us to move forward with a sense of purpose, confidence and joy.

Regards,  
Todd Rubiano

## Narrative

### INCOME:

**Apportionments:** For 2013 we will continue to use our existing apportionment formula. The updated budget proposal includes a recommendation from ATF to place a “3% cap” on apportionment increases for 2013. Thus, any increase in a parish’s apportionment will not exceed 3% of the amount due for 2012. Any apportionment increase less than 3% or any decreases are not affected.

Using this approach, apportionments would total \$1,009,868; about \$5,000 less than 2012 and almost \$23,000 less than if we did not utilize the 3% cap. The greatest benefit of the “cap” is that the number of parishes experiencing a significant increase in apportionment (defined as more than \$1,000 or 5%) is reduced from 27 parishes (56%) to only one (2%). Please refer to Exhibit #2.

**Investments:** Trustees have approved a total draw from endowment of \$1.3 M, which combined with interest from loans and other income, totals \$1.387 M. The draw from endowment is about 6% of the average, trailing thirteen quarters. The increased draw was funded from lower spending in previous years and enables us to ease the impact of the economic downturn, adjust for an error in our previous draw formula, while still maintaining prudent management of the endowment.

### EXPENSES:

Based on feedback from the first draft budget, two expense items were re-categorized: The \$7,500 Millennium Development Partnership grant was moved to Mission Outside the Diocese and the \$4,500 Ephphatha grant was moved to Congregational Development.

The other significant changes in our proposed spending for 2013 compared to the first draft are:

- The first draft budget included a reduction of over \$40,000 in **Congregational Development** grants. The updated budget proposal restores funding to 2012 levels (~ \$429K). This change provides adequate funding for all existing grants, including projected renewals of new, multi-year grants approved in 2012. There will be approximately \$25,000 available for new grants in 2013. In addition, we’ve discontinued the internal accounting that the Diocese was doing for the Episcopal Rochester Organ Initiative (EROI) loan (\$22,440), in order to be consistent with the reporting and recommendations of our outside auditors.
- Our budget for **Mission Outside the Diocese** increased by about 5%, due to an increase in our expected apportionment to the Domestic & Foreign Missionary Society of the Episcopal Church. We are still working with the Treasurer’s Office of D&FMS to clarify what adjustments should be made in calculating our Operating Income, but it is reasonable to expect that our reported income will increase significantly when we file a revised 2011 report. This increase will impact the amount the Church asks us to give going forward. While this potential increase in our apportionment was unexpected, we will work with Council, Trustees and the Treasurer’s Office of D&FMS to find a workable solution to adjust our apportionment over time.
- The budget for **Leadership Development** has been increased by \$6,000 and now includes the costs associated with the new role of Diocesan Missioner for Vocational Discernment of all the Baptized. The reduction of almost \$45,000 in **Executive Staff** is largely due to eliminating the role of Canon for Vocational & Leadership Development.

A summary of the 2013 budget is provided in Exhibit #3, with line item detail for each budget category in Exhibits #4 - 10.

# 2013 Budget vs. 2010 Actual

## Exhibit #1

| <i>NEW Budget Categories</i>        | 2010<br>Final      | % of<br>Budget | 2013<br>Budget     | % of<br>Budget | 2013<br>vs. 2010   | Notes                                 |
|-------------------------------------|--------------------|----------------|--------------------|----------------|--------------------|---------------------------------------|
| Apportionment                       | \$970,609          | 39%            | \$1,009,868        | 42%            | \$39,259           | 2013: existing formula w/ 3% cap      |
| Investment                          | \$1,548,896        | 61%            | \$1,387,000        | 58%            | (\$161,896)        | ~ 10.5% reduction                     |
| <b>Total Income</b>                 | <b>\$2,519,505</b> | <b>100%</b>    | <b>\$2,396,868</b> | <b>100%</b>    | <b>(\$122,636)</b> | <b>Reduced draw from investments</b>  |
| Congregational Development          | \$232,414          | 9.6%           | \$429,313          | 17.9%          | \$196,899          | Aligned with Mission Statement        |
| Mission within the Diocese          | \$241,060          | 10.0%          | \$231,700          | 9.7%           | (\$9,360)          | Target funding ~ 10%                  |
| Mission outside the Diocese         | \$240,050          | 9.9%           | \$242,892          | 10.1%          | \$2,842            | Target funding ~ 10%                  |
| Clergy & Lay Benefits               | \$138,271          | 5.7%           | \$120,500          | 5.0%           | (\$17,771)         | ~ \$40K savings w/ PLUS Plan          |
| Leadership Development              | \$42,588           | 1.8%           | \$60,000           | 2.5%           | \$17,412           | Focus Area, + 10% vs. 2011            |
| Communications                      | \$69,364           | 2.9%           | \$115,000          | 4.8%           | \$45,636           | Focus Area, ~ \$86K for new position  |
| Governance, Committees & Missioners | \$173,056          | 7.2%           | \$122,750          | 5.1%           | (\$50,306)         | Reduction in Administrative Structure |
| Support Staff                       | \$481,767          | 20.0%          | \$431,108          | 18.0%          | (\$50,659)         | Reduction in Administrative Structure |
| Executive Staff                     | \$576,617          | 23.9%          | \$475,105          | 19.8%          | (\$101,512)        | Reduction in Administrative Structure |
| Office Expense                      | \$219,028          | 9.1%           | \$168,500          | 7.0%           | (\$50,528)         | Reduction in Administrative Structure |
| <b>Total Expense</b>                | <b>\$2,414,214</b> | <b>100%</b>    | <b>\$2,396,868</b> | <b>100%</b>    | <b>(\$17,346)</b>  | <b>Plus: Absorbing inflation</b>      |
| <b>Surplus/Deficit</b>              | <b>\$105,290</b>   |                | <b>\$0</b>         |                |                    |                                       |

Exhibit #2

Parish Apportionment:

|  | 2012 Type | 2012 Final Budget  | 2013               |                      |             | 2013                        |                      |              |
|--|-----------|--------------------|--------------------|----------------------|-------------|-----------------------------|----------------------|--------------|
|  |           |                    | Current Formula    | Change vs. 2012 (\$) | %           | Current Formula w/ Cap @ 3% | Change vs. 2012 (\$) | %            |
| Addison, Redeemer                        | 1         | 3,385              | 4,120              | 735                  | 21.7%       | 3,487                       | 102                  | 3.0%         |
| Angelica, St. Paul's                     | 1         | 1,214              | 1,781              | 567                  | 46.7%       | 1,250                       | 36                   | 3.0%         |
| Avon, Zion                               | 1         | 12,926             | 14,385             | 1,459                | 11.3%       | 13,313                      | 388                  | 3.0%         |
| Bath, St. Thomas                         | 2         | 22,476             | 22,281             | (196)                | -0.9%       | 22,281                      | (196)                | -0.9%        |
| Belmont, St. Philip's                    | 1         | 2,839              | 3,579              | 740                  | 26.1%       | 2,924                       | 85                   | 3.0%         |
| Bloomfield, St. Peter's                  | 1         | 3,268              | 3,901              | 633                  | 19.4%       | 3,366                       | 98                   | 3.0%         |
| Branchport, St. Luke's                   | 1         | 4,858              | 5,344              | 486                  | 10.0%       | 5,004                       | 146                  | 3.0%         |
| Brockport, St. Luke's                    | 2         | 15,403             | 17,069             | 1,665                | 10.8%       | 15,865                      | 462                  | 3.0%         |
| Caledonia, St. Andrew's                  | 1         | 1,957              | 2,604              | 647                  | 33.1%       | 2,016                       | 59                   | 3.0%         |
| Canandaigua, St. John's                  | 3         | 36,328             | 36,319             | (9)                  | 0.0%        | 36,319                      | (9)                  | 0.0%         |
| Canaseraga, Trinity                      | 1         | 1,601              | 1,997              | 396                  | 24.7%       | 1,649                       | 48                   | 3.0%         |
| Catharine, St. John's                    | 1         | 2,332              | 3,270              | 937                  | 40.2%       | 2,402                       | 70                   | 3.0%         |
| Clifton Spr/Ph, St. John's               | 1         | 8,175              | 8,819              | 644                  | 7.9%        | 8,420                       | 245                  | 3.0%         |
| Corning, Christ Church                   | 4         | 51,679             | 50,431             | (1,248)              | -2.4%       | 50,431                      | (1,248)              | -2.4%        |
| Cuba, Christ Church                      | 1         | 1,260              | 1,636              | 376                  | 29.9%       | 1,298                       | 38                   | 3.0%         |
| Dansville, St. Peter's                   | 2         | 17,783             | 17,269             | (515)                | -2.9%       | 17,269                      | (515)                | -2.9%        |
| Fairport, St. Luke's                     | 3         | 26,539             | 27,206             | 667                  | 2.5%        | 27,206                      | 667                  | 2.5%         |
| Gates, Epiphany                          | 3         | 31,554             | 31,624             | 70                   | 0.2%        | 31,624                      | 70                   | 0.2%         |
| Geneseo, St. Michael's                   | 2         | 20,767             | 20,264             | (504)                | -2.4%       | 20,264                      | (504)                | -2.4%        |
| Geneva, St. Peter's                      | 4         | 28,579             | 31,445             | 2,866                | 10.0%       | 29,436                      | 857                  | 3.0%         |
| Geneva, Trinity                          | 2         | 20,635             | 18,190             | (2,445)              | -11.9%      | 18,190                      | (2,445)              | -11.9%       |
| Greece, Trinity                          | 2         | 14,546             | 16,415             | 1,869                | 12.9%       | 14,983                      | 436                  | 3.0%         |
| Hammondsport, St. James'                 | 1         | 7,067              | 7,526              | 459                  | 6.5%        | 7,279                       | 212                  | 3.0%         |
| Henrietta, St. Peter's                   | 2         | 16,452             | 16,955             | 503                  | 3.1%        | 16,946                      | 494                  | 3.0%         |
| Hilton, St. George's                     | 1         | 7,475              | 7,529              | 54                   | 0.7%        | 7,529                       | 54                   | 0.7%         |
| Honeoye Falls, St. John's                | 2         | 10,394             | 11,044             | 650                  | 6.3%        | 10,706                      | 312                  | 3.0%         |
| Hornell, Christ Church                   | 2         | 12,088             | 11,569             | (519)                | -4.3%       | 11,569                      | (519)                | -4.3%        |
| Lyons, Grace Church                      | 1         | 10,347             | 10,275             | (73)                 | -0.7%       | 10,275                      | (73)                 | -0.7%        |
| Montour Falls, St. Paul's                | 1         | 966                | 1,340              | 374                  | 38.7%       | 995                         | 29                   | 3.0%         |
| Mt. Morris, St. John's                   | 1         | 1,566              | 2,506              | 940                  | 60.0%       | 1,613                       | 47                   | 3.0%         |
| Newark, St. Mark's                       | 1         | 9,830              | 11,862             | 2,032                | 20.7%       | 10,125                      | 295                  | 3.0%         |
| Palmyra, Zion Church                     | 1         | 11,951             | 12,264             | 313                  | 2.6%        | 12,264                      | 313                  | 2.6%         |
| Penfield, Incarnation                    | 2         | 22,116             | 22,099             | (18)                 | -0.1%       | 22,099                      | (18)                 | -0.1%        |
| Penn Yan, St. Mark's                     | 1         | 13,873             | 15,729             | 1,856                | 13.4%       | 14,289                      | 416                  | 3.0%         |
| Pittsford, Christ Church                 | 6         | 118,539            | 125,511            | 6,972                | 5.9%        | 122,095                     | 3,556                | 3.0%         |
| Rochester, Ascension                     | 2         | 17,126             | 18,415             | 1,288                | 7.5%        | 17,640                      | 514                  | 3.0%         |
| Rochester, Christ Church                 | 3         | 31,858             | 32,964             | 1,106                | 3.5%        | 32,814                      | 956                  | 3.0%         |
| Rochester, St. Luke and St. Simon Cyrene | 3         | 29,104             | 29,675             | 571                  | 2.0%        | 29,675                      | 571                  | 2.0%         |
| Rochester, St. Mark's and St. John's     | 1         | 9,837              | 9,828              | (9)                  | -0.1%       | 9,828                       | (9)                  | -0.1%        |
| Rochester, St. Paul's                    | 6         | 200,522            | 194,405            | (6,117)              | -3.1%       | 194,405                     | (6,117)              | -3.1%        |
| Rochester, St. Stephen's                 | 1         | 11,649             | 11,950             | 300                  | 2.6%        | 11,950                      | 300                  | 2.6%         |
| Rochester, St. Thomas'                   | 5         | 67,668             | 63,438             | (4,230)              | -6.3%       | 63,438                      | (4,230)              | -6.3%        |
| Savona, Good Shepherd                    | 1         | 3,474              | 3,690              | 216                  | 6.2%        | 3,579                       | 104                  | 3.0%         |
| Scottsville, Grace Church                | 1         | 8,636              | 10,050             | 1,413                | 16.4%       | 8,896                       | 259                  | 3.0%         |
| Sodus, St. John's                        | 1         | 5,546              | 6,048              | 503                  | 9.1%        | 5,712                       | 166                  | 3.0%         |
| Watkins Glen, St. James'                 | 1         | 7,034              | 8,194              | 1,160                | 16.5%       | 7,245                       | 211                  | 3.0%         |
| Webster, Good Shepherd                   | 5         | 43,766             | 42,083             | (1,683)              | -3.8%       | 42,083                      | (1,683)              | -3.8%        |
| Wellsville, St. John's                   | 1         | 5,989              | 5,825              | (163)                | -2.7%       | 5,825                       | (163)                | -2.7%        |
| <b>TOTAL DIOCESE</b>                     |           | <b>\$1,014,981</b> | <b>\$1,032,720</b> | <b>\$17,740</b>      | <b>1.7%</b> | <b>\$1,009,868</b>          | <b>(\$5,112)</b>     | <b>-0.5%</b> |

# 2013 Budget vs. 2012 Budget

## Exhibit #3

| <i>NEW Budget Categories</i>        | 2011<br>Final      | 2012<br>Budget     | % of<br>Budget | 2013<br>Budget     | % of<br>Budget | 2013<br>vs. 2012  |
|-------------------------------------|--------------------|--------------------|----------------|--------------------|----------------|-------------------|
| Apportionment                       | \$1,016,685        | \$1,021,901        | 42%            | \$1,009,868        | 42%            | (\$12,033)        |
| Investment                          | \$1,430,715        | \$1,422,797        | 58%            | \$1,387,000        | 58%            | (\$35,797)        |
| <b>Total Income</b>                 | <b>\$2,447,400</b> | <b>\$2,444,698</b> | <b>100%</b>    | <b>\$2,396,868</b> | <b>100%</b>    | <b>(\$47,830)</b> |
| Congregational Development          | \$309,796          | \$428,390          | 17.5%          | \$429,313          | 17.9%          | \$923             |
| Mission within the Diocese          | \$225,865          | \$232,000          | 9.5%           | \$231,700          | 9.7%           | (\$300)           |
| Mission outside the Diocese         | \$229,643          | \$231,445          | 9.5%           | \$242,892          | 10.1%          | \$11,447          |
| Clergy & Lay Benefits               | \$155,410          | \$163,600          | 6.7%           | \$120,500          | 5.0%           | (\$43,100)        |
| Leadership Development              | \$54,956           | \$54,000           | 2.2%           | \$60,000           | 2.5%           | \$6,000           |
| Communications                      | \$69,813           | \$60,000           | 2.5%           | \$115,000          | 4.8%           | \$55,000          |
| Governance, Committees & Missioners | \$154,967          | \$132,500          | 5.4%           | \$122,750          | 5.1%           | (\$9,750)         |
| Support Staff                       | \$478,855          | \$442,774          | 18.1%          | \$431,108          | 18.0%          | (\$11,666)        |
| Executive Staff                     | \$541,096          | \$522,989          | 21.4%          | \$475,105          | 19.8%          | (\$47,884)        |
| Office Expense                      | \$189,607          | \$177,000          | 7.2%           | \$168,500          | 7.0%           | (\$8,500)         |
| <b>Total Expense</b>                | <b>\$2,410,008</b> | <b>\$2,444,698</b> | <b>100%</b>    | <b>\$2,396,868</b> | <b>100%</b>    | <b>(\$47,830)</b> |
| <b>Surplus/Deficit</b>              | <b>\$37,392</b>    | <b>\$0</b>         |                | <b>\$0</b>         |                |                   |

## Exhibit #4

# Congregational Development

| <i>NEW Budget Categories</i>                     | 2011<br>Final    | 2012<br>Budget   | % of<br>Budget | 2013<br>Budget   | % of<br>Budget | 2013<br>vs. 2012 |
|--|------------------|------------------|----------------|------------------|----------------|------------------|
| <i>NEW Congregational Development Grants</i>     | \$10,651         | \$148,868        |                | \$25,313         |                | (\$123,555)      |
| <i>St. Peter's, Henrietta 2012 CDG</i>           |                  |                  |                | \$54,000         |                | \$54,000         |
| <i>St. George's, Hilton 2012 CDG</i>             |                  |                  |                | \$52,000         |                | \$52,000         |
| ACEM   | \$42,000         | \$42,000         |                | \$42,000         |                | \$0              |
| Epis Catalyst for Urban Ministry                 | \$41,462         | \$40,000         |                | \$40,000         |                | \$0              |
| St. Stephen's Leadership for Ministry            | \$39,000         | \$39,000         |                | \$39,000         |                | \$0              |
| Ascension Redevelopment                          | \$33,000         | \$33,000         |                | \$33,000         |                | \$0              |
| <i>Scottsville/Caledonia 2012 CDG</i>            |                  |                  |                | \$28,500         |                | \$28,500         |
| 2 Saints Leadership for Ministry                 | \$25,000         | \$25,000         |                | \$25,000         |                | \$0              |
| EPSC Ministry Partnership                        | \$21,500         | \$21,500         |                | \$21,500         |                | \$0              |
| Rochester/Trinity Greece Redevelopment /Leade    | \$20,000         | \$20,000         |                | \$20,000         |                | \$0              |
| Christ Rochester Loan and Development            | \$13,000         | \$13,000         |                | \$13,000         |                | \$0              |
| Penn Yan Ministry leadership youth and oversight | \$10,000         | \$10,000         |                | \$10,000         |                | \$0              |
| Music Events including special services/material | \$7,031          | \$7,000          |                | \$7,000          |                | \$0              |
| Hilton: St. George's Development                 | \$5,000          | \$5,000          |                | \$5,000          |                | \$0              |
| Stewardship Training/Programs                    | \$1,890          | \$0              |                | \$5,000          |                | \$5,000          |
| Ephphatha Mission                                | \$4,500          | \$4,500          |                | \$4,500          |                | \$0              |
| Mission In-site                                  | \$15             | \$2,500          |                | \$2,500          |                | \$0              |
| Rochester Urban Ministry Initiative workshops, n | \$1,232          | \$2,000          |                | \$2,000          |                | \$0              |
| <b>Congregational Development</b>                | <b>\$309,796</b> | <b>\$428,390</b> | <b>17.5%</b>   | <b>\$429,313</b> | <b>17.9%</b>   | <b>\$923</b>     |

## Exhibit #5

# Mission within the Diocese

| <i>NEW Budget Categories</i>  | 2011<br>Final    | 2012<br>Budget   | % of<br>Budget | 2013<br>Budget   | % of<br>Budget | 2013<br>vs. 2012 |
|---|------------------|------------------|----------------|------------------|----------------|------------------|
| <i>Annual Mission Grants</i>  |                  | \$58,250         |                | \$58,250         |                | \$0              |
| Chaplaincy Episcopal Sr. Life Communities   | \$24,000         | \$24,000         |                | \$24,000         |                | \$0              |
| Bishop Sheen Ecumenical Housing   | \$20,250         | \$20,250         |                | \$20,250         |                | \$0              |
| RAIHN   | \$11,000         | \$11,000         |                | \$11,000         |                | \$0              |
| ST. Luke and St. Simon Rt on School ongoing Mi<br>creation camp (2011 includes Youth Trips) | \$10,000         | \$10,000         |                | \$10,000         |                | \$0              |
| St. Peter's Youth Academy   | \$7,800          | \$8,000          |                | \$8,000          |                | \$0              |
| St. Peter's Youth Academy   | \$8,000          | \$8,000          |                | \$8,000          |                | \$0              |
| The Good Book Store   | \$6,000          | \$6,000          |                | \$8,000          |                | \$2,000          |
| St. Peter's-Geneva Neighbor's Night   | \$8,000          | \$8,000          |                | \$8,000          |                | \$0              |
| Roch Genesee Area Campus Ministry   | \$8,000          | \$8,000          |                | \$8,000          |                | \$0              |
| St. John's, Canandaigua-Gleaner's Kitchen   | \$7,000          | \$7,000          |                | \$7,000          |                | \$0              |
| Christ Church-Rochester Meal and More Ongoir  | \$7,000          | \$7,000          |                | \$7,000          |                | \$0              |
| Episcopal Senior Life Communities   | \$7,000          | \$7,000          |                | \$7,000          |                | \$0              |
| Bath - Turning Point  | \$6,000          | \$6,000          |                | \$6,000          |                | \$0              |
| Campus Ministry St. Michael's, Geneseo  | \$5,000          | \$5,000          |                | \$5,000          |                | \$0              |
| Christ Rochester music program  | \$5,000          | \$5,000          |                | \$5,000          |                | \$0              |
| St. Mark's and St. John's Kids Club ongoing Dioc  | \$5,000          | \$5,000          |                | \$5,000          |                | \$0              |
| Monroe District   | \$4,000          | \$4,000          |                | \$4,000          |                | \$0              |
| Northeast District  | \$4,000          | \$4,000          |                | \$4,000          |                | \$0              |
| Rochester District  | \$4,265          | \$4,000          |                | \$4,000          |                | \$0              |
| Southeast District  | \$3,750          | \$4,000          |                | \$4,000          |                | \$0              |
| Southwest District  | \$4,000          | \$4,000          |                | \$4,000          |                | \$0              |
| District Youth Programs & Events  |                  | \$5,000          |                | \$2,700          |                | (\$2,300)        |
| Greater Rochester Comm. of Churches   | \$2,000          | \$2,000          |                | \$2,000          |                | \$0              |
| Prison Ministry Committee   | \$550            | \$1,500          |                | \$1,500          |                | \$0              |
| <b>Mission within the Diocese</b>   | <b>\$225,865</b> | <b>\$232,000</b> | <b>9.5%</b>    | <b>\$231,700</b> | <b>9.7%</b>    | <b>(\$300)</b>   |

## Exhibit #6

# Mission outside the Diocese/Clergy & Lay Benefits

| <i><b>NEW Budget Categories</b></i>             | <b>2011<br/>Final</b> | <b>2012<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>vs. 2012</b> |
|---|-----------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| The Domestic & Foreign Missionary Society of th | \$194,817             | \$194,195              |                        | \$207,642              |                        | \$13,447                 |
| Millennium Development Goals                    | \$18,884              | \$18,000               |                        | \$18,000               |                        | \$0                      |
| Millennium Dev. Ministry Partnership/Honeoye Fa | \$7,500               | \$7,500                |                        | \$7,500                |                        | \$0                      |
| Province II                                     | \$3,646               | \$4,000                |                        | \$4,000                |                        | \$0                      |
| UTO Coordinator                                 | \$0                   | \$3,000                |                        | \$1,000                |                        | (\$2,000)                |
| Church Women United                             | \$1,500               | \$1,500                |                        | \$1,500                |                        | \$0                      |
| New York State Community of Churches            | \$1,250               | \$1,250                |                        | \$1,250                |                        | \$0                      |
| Migrant and Rural Ministry                      | \$1,000               | \$1,000                |                        | \$1,000                |                        | \$0                      |
| Episcopal Relief & Development                  | \$1,046               | \$1,000                |                        | \$1,000                |                        | \$0                      |
| <b>Mission outside the Diocese</b>              | <b>\$229,643</b>      | <b>\$231,445</b>       | <b>9.5%</b>            | <b>\$242,892</b>       | <b>10.1%</b>           | <b>\$11,447</b>          |
| Medical Insurance: Retirees                     | \$122,884             | \$125,000              |                        | \$90,000               |                        | (\$35,000)               |
| Diocesan Dental Program                         | \$30,359              | \$36,000               |                        | \$28,000               |                        | (\$8,000)                |
| Flexible Benefits: Administrative               | \$2,167               | \$2,600                |                        | \$2,500                |                        | (\$100)                  |
| <b>Clergy &amp; Lay Benefits</b>                | <b>\$155,410</b>      | <b>\$163,600</b>       | <b>6.7%</b>            | <b>\$120,500</b>       | <b>5.0%</b>            | <b>(\$43,100)</b>        |

## Exhibit #7

# Leadership Development/Communications

| <i><b>NEW Budget Categories</b></i>           | <b>2011<br/>Final</b> | <b>2012<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>vs. 2012</b> |
|---|-----------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| Diocesan Missioner for Vocational Discernment |                       |                        |                        | \$20,000               |                        | \$20,000                 |
| Programs & Events includes EFM                | \$1,965               | \$3,000                |                        | \$11,000               |                        | \$8,000                  |
| Educational Grants                            | \$27,767              | \$30,000               |                        | \$8,000                |                        | (\$22,000)               |
| COM: Continuing Education Grants              | \$4,292               | \$5,000                |                        | \$5,000                |                        | \$0                      |
| Clergy Renewal Conferences and Clergy Mentor  | \$5,817               | \$2,000                |                        | \$4,500                |                        | \$2,500                  |
| Materials & Operations                        | \$2,034               | \$3,000                |                        | \$4,000                |                        | \$1,000                  |
| C.P.E. Program at Strong Hospital             | \$3,000               | \$3,000                |                        | \$3,000                |                        | \$0                      |
| St. Paul's/Diocesan Education Series          | \$2,500               | \$2,500                |                        | \$2,500                |                        | \$0                      |
| Commission on Ministry: Operating             | \$6,908               | \$2,000                |                        | \$2,000                |                        | \$0                      |
| <b>Leadership Development</b>                 | <b>\$54,956</b>       | <b>\$54,000</b>        | <b>2.2%</b>            | <b>\$60,000</b>        | <b>2.5%</b>            | <b>\$6,000</b>           |
| Communications - Salary                       | \$17,992              | \$0                    |                        | \$60,000               |                        | \$60,000                 |
| Communications - Benefits                     | \$6,253               | \$0                    |                        | \$23,000               |                        | \$23,000                 |
| Diocesan Newspaper- Print and Digital         | \$15,843              | \$20,000               |                        | \$12,000               |                        | (\$8,000)                |
| Diocesan Communications Other                 | \$20,496              | \$36,000               |                        | \$10,000               |                        | (\$26,000)               |
| Web Page and Electronic System                | \$6,589               | \$4,000                |                        | \$7,000                |                        | \$3,000                  |
| Communications - Expenses (inc. cont. edu.)   | \$2,640               | \$0                    |                        | \$3,000                |                        | \$3,000                  |
| <b>Communications</b>                         | <b>\$69,813</b>       | <b>\$60,000</b>        | <b>2.5%</b>            | <b>\$115,000</b>       | <b>4.8%</b>            | <b>\$55,000</b>          |

## Exhibit #8

# Governance, Committees & Missioners

| <i><b>NEW Budget Categories</b></i>                     | <b>2011<br/>Final</b> | <b>2012<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>vs. 2012</b> |
|---|-----------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| District Deans - Stipend                                | \$22,500              | \$22,500               |                        | \$25,000               |                        | \$2,500                  |
| Diocesan Audit and Fiscal Manual                        | \$15,000              | \$15,000               |                        | \$16,000               |                        | \$1,000                  |
| Diocesan Convention                                     | \$44,670              | \$15,000               |                        | \$15,000               |                        | \$0                      |
| Deputies to General Convention                          | \$12,000              | \$12,000               |                        | \$15,000               |                        | \$3,000                  |
| Youth Leadership stipends (2010:4 mos)                  | \$12,964              | \$11,500               |                        | \$13,800               |                        | \$2,300                  |
| Legal Fees  | \$3,878               | \$10,000               |                        | \$10,000               |                        | \$0                      |
| Public Policy Committee                                 | \$2,566               | \$1,500                |                        | \$3,500                |                        | \$2,000                  |
| Canon for Interfaith and Ecumenical Relations: expenses |                       |                        |                        | \$3,500                |                        | \$3,500                  |
| Lambeth Conference                                      | \$3,000               | \$3,000                |                        | \$3,000                |                        | \$0                      |
| Canon for Interfaith and Ecumenical Relations:          | \$11,397              | \$13,000               |                        | \$2,950                |                        | (\$10,050)               |
| Title IV/Safe Church/and Canonically Required T         | \$0                   | \$4,000                |                        | \$2,000                |                        | (\$2,000)                |
| Trustees  | \$1,484               | \$1,000                |                        | \$2,000                |                        | \$1,000                  |
| Chaplain to the Retired - stipend                       | \$1,087               | \$3,000                |                        | \$2,000                |                        | (\$1,000)                |
| SPICE   | \$1,044               | \$2,000                |                        | \$1,500                |                        | (\$500)                  |
| Committee on Anti-Racism                                | \$765                 | \$2,000                |                        | \$1,500                |                        | (\$500)                  |
| Diocesan Council  | \$1,269               | \$3,000                |                        | \$1,500                |                        | (\$1,500)                |
| Standing Committee                                      | \$2,989               | \$1,000                |                        | \$1,500                |                        | \$500                    |
| Committee for Gay and Lesbian Ministry                  | \$934                 | \$1,000                |                        | \$1,000                |                        | \$0                      |
| Chaplain to the Retired - expense                       |                       |                        |                        | \$1,000                |                        | \$1,000                  |
| Misc.: Memberships, etc: Episcopal Peace Fello          | \$1,000               | \$3,000                |                        | \$1,000                |                        | (\$2,000)                |
| <b>Governance, Committees &amp; Missioners</b>          | <b>\$154,967</b>      | <b>\$132,500</b>       | <b>5.4%</b>            | <b>\$122,750</b>       | <b>5.1%</b>            | <b>(\$9,750)</b>         |

## Exhibit #9

# Support Staff & Executive Staff

| <i><b>NEW Budget Categories</b></i>              | <b>2011<br/>Final</b> | <b>2012<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>vs. 2012</b> |
|--|-----------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| <i>Support Staff - Salary</i>                    | \$346,909             | \$319,524              |                        | \$308,308              |                        | (\$11,216)               |
| <i>Support Staff - Benefits</i>                  | \$122,278             | \$119,000              |                        | \$116,800              |                        | (\$2,200)                |
| <i>Support Staff - Expense Reimbursement</i>     | \$9,668               | \$4,250                |                        | \$6,000                |                        | \$1,750                  |
| <b>Support Staff</b>                             | <b>\$478,855</b>      | <b>\$442,774</b>       | <b>18.1%</b>           | <b>\$431,108</b>       | <b>18.0%</b>           | <b>(\$11,666)</b>        |
| Bishop - Salary                                  | \$135,000             | \$135,000              |                        | \$135,000              |                        | \$0                      |
| Chief Financial Missioner - salary (2011 < 10 mo | \$72,236              | \$89,888               |                        | \$89,888               |                        | \$0                      |
| Canon for Mission and Ministry / Canon to the Or | \$80,944              | \$83,500               |                        | \$83,500               |                        | \$0                      |
| Bishop - Benefits                                | \$64,963              | \$67,000               |                        | \$71,800               |                        | \$4,800                  |
| Canon for Mission and Ministry/Canon to the Ord  | \$37,925              | \$43,000               |                        | \$42,000               |                        | (\$1,000)                |
| Chief Financial Missioner - Benefits             | \$14,779              | \$17,000               |                        | \$19,500               |                        | \$2,500                  |
| Bishop - Auto                                    | \$6,223               | \$1,000                |                        | \$8,000                |                        | \$7,000                  |
| Bishop: Business Expense                         | \$9,610               | \$16,000               |                        | \$7,000                |                        | (\$9,000)                |
| Canon for Mission and Ministry/Canon to the Ord  | \$7,114               | \$10,000               |                        | \$7,000                |                        | (\$3,000)                |
| Bishop: Sabbatical                               | \$3,000               | \$3,000                |                        | \$3,000                |                        | \$0                      |
| Chief Financial Missioner Expense                | \$2,913               | \$6,000                |                        | \$2,750                |                        | (\$3,250)                |
| Bishop: Continuing Education                     | \$3,500               | \$2,500                |                        | \$2,500                |                        | \$0                      |
| <i>Pool for potential salary increases</i>       |                       |                        |                        | \$2,167                |                        | \$2,167                  |
| Canon for Mission and Ministry Sabbatical        | \$500                 | \$500                  |                        | \$500                  |                        | \$0                      |
| Canon for Mission and Ministry/Canon to the Ord  | \$500                 | \$250                  |                        | \$250                  |                        | \$0                      |
| Chief Financial Missioner Continuing Ed          | \$250                 | \$250                  |                        | \$250                  |                        | \$0                      |
| <b>Executive Staff</b>                           | <b>\$541,096</b>      | <b>\$522,989</b>       | <b>21.4%</b>           | <b>\$475,105</b>       | <b>19.8%</b>           | <b>(\$47,884)</b>        |

## Exhibit #10 Office Expense

| <i><b>NEW Budget Categories</b></i> | <b>2011<br/>Final</b> | <b>2012<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>Budget</b> | <b>% of<br/>Budget</b> | <b>2013<br/>vs. 2012</b> |
|-------------------------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| Diocesan House Maintenance          | \$43,181              | \$36,000               |                        | \$45,000               |                        | \$9,000                  |
| Electronic Maintenance & Lease      | \$42,141              | \$46,000               |                        | \$36,000               |                        | (\$10,000)               |
| Utilities and Taxes                 | \$27,108              | \$27,000               |                        | \$25,000               |                        | (\$2,000)                |
| Diocesan Insurance                  | \$14,694              | \$15,000               |                        | \$21,500               |                        | \$6,500                  |
| Office Expense                      | \$22,561              | \$30,000               |                        | \$20,000               |                        | (\$10,000)               |
| Telephone, FAX, E-mail etc.         | \$13,260              | \$12,000               |                        | \$12,000               |                        | \$0                      |
| Building and Equipment Fund         | \$16,150              | \$7,000                |                        | \$7,000                |                        | \$0                      |
| Office Equipment & Furniture        | \$10,512              | \$4,000                |                        | \$2,000                |                        | (\$2,000)                |
| <b>Office Expense</b>               | <b>\$189,607</b>      | <b>\$177,000</b>       | <b>7.2%</b>            | <b>\$168,500</b>       | <b>7.0%</b>            | <b>(\$8,500)</b>         |