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DIOCESAN COUNCIL AGENDA

September 22, 2022

2 p.m. via Zoom

Gathering time

Consent agenda: (on portal)

- June Council Minutes

Bishop's time

2023 Proposed Budget (Kim)

Creation Care Proposal – Budget & Financial Planning subcommittee (B&FP)
recommendation (Kim)

Vote on Policy concerning the Parish Loan Program & Application (Mark and Rich)

Vote on Proposed Loan from Diocese to St. Mark's/East Longmeadow (Rich and Mark)

Adjourn

EMWM

Allocation of assets from Trinity/Chicopee – B&FP recommendation (Kim)

Vote on Proposed Loan from EMWM to St. Mark's/East Longmeadow (Rich and Mark)

Adjourn

COUNCIL MEMBERSHIP

Officers and Appointed Members:

The Rt. Rev. Douglas Fisher, President

The Rev. Tanya Wallace, Vice President

Ms. Wende Wheeler, Secretary

The Rev. Dr. Richard Simpson, Assistant Secretary

Mr. Mark Rogers, Treasurer

Mr. Frank Minasian, Trustee Representative

Term of Office Expires:

Convention of 2022 - Janet Zimmerman, Janet Young, Beth Washburn

Convention of 2023 - Richard Delorme, Charlotte LaForest, Reynolds Whalen

Convention of 2024 - Eliot Moss, Rick Gore, Tom Callard, vacancy

Upcoming Meetings

October 13, 2022

November 17, 2022

December 8, 2022

**Minutes of the Diocesan Council of
the Diocese of Western Massachusetts**

June 9, 2022
2:00 p.m. via Zoom

Present

The Rt. Rev. Doug Fisher, President
Richard Delorme
Frank Minasian
The Rev. Eliot Moss
Mark Rogers, Treasurer
The Rev. Tanya Wallace, Vice-President
The Rev. Dcn. Beth Washburn
Reynolds Whalen
Wende Wheeler, Secretary
The Rev. Janet Zimmerman

Absent

The Rev. Tom Callard
Richard Gore
The Rev. Charlotte LaForest
Mary Frances Rozak
The Rev. Rich Simpson
Janet Young

The meeting was called to order at 2:00 p.m. The Bishop led the opening prayer.

Consent Agenda

The Consent Agenda was moved, seconded and passed unanimously.

Bishop's Time

The Bishop's items:

- The Bishop gave an overview of how our Diocese's parishes are doing as we come out of COVID. He indicated that it varies – some are doing very well, others continue to struggle. He also reported that he has found, as he's conducted visitations, that all parishes continue to have strong involvement in mission, from veterans' ministries, to Good News Gardens, etc. He sees this as a positive sign for the future.
- He's currently serving as President of the Province I Executive Committee, and is encouraged by the collaboration that he's seeing amongst the dioceses and ministries of the Province.
- He noted the shift of much of General Convention's committee work to Zoom due to the COVID-shortened GC schedule.
- The Retired Clergy Lunches are back – the first since 2019. One has been conducted; two more to come. After COVID, our retired clergy and their spouses have been very pleased to be able to come together in person.
- The Bishop serves on the Committee for Socially Responsible Investing. The Committee recently had a victory when it pushed forward a resolution along with a community of Roman Catholic

religious which mandated that Sturm Ruger (gun manufacturer) undertake an audit conducted by an outside entity to trace where their guns have gone and what the effect has been. The resolution was strongly backed by over 50% of shareholders, although fought by the Board of Directors.

Human to Human Budget approval

The Human to Human budget document, which had been unanimously recommended to Council by the B&FP Committee. A motion to approve the budget was seconded and approved unanimously.

Parish Loan Program draft

Mark presented a draft of a Parish Loan Program and Application, and then took questions. He indicated that parishes are encouraged to look at other sources of loans as well, including the Episcopal Church Building Fund and banks. Council recognized the need for the form to both serve the needs of Council in determining the details around the granting of the loan from either Diocesan or EMWM resources, and the needs of Standing Committee, for the purposes of authorizing parish indebtedness in taking on the loan. The draft policy and form will be shared with Standing Committee for their input and approval next.

Vote: Purchase of a car for the Bishop

Motion: That Council ratify the trade-in of the 2017 Subaru Legacy and the purchase by the Diocese of a 2022 Subaru Legacy for the net balance of \$33,467. The motion was seconded, and there was no discussion. The motion was passed unanimously.

Annual Audit Report

Mark reported that he had met the previous week with the auditors (LaPier, Dillon & Associates PC), and that they had no major findings or concerns with the financials for the Diocese, and were, in fact, highly complimentary of the work of Kim Foster and her team. The complete report was available on the portal, and had been accepted by a vote of the Budget & Financial Planning Committee. The motion to accept the audit report was made, seconded, and approved unanimously.

Approval of an additional lay alternate deputy to General Convention

Due to the change of General Convention dates (delayed by a year), and Covid considerations, there was a vacancy for a lay alternate deputy. Tanya Wallace was able to identify Andrew Piper, a Lawrence House intern, who has the interest and availability to go to Convention. A motion to affirm Andrew was made, seconded and enthusiastically affirmed.

Affirmation of the Diocesan Nominating Committee

Motion to affirm the following as the 2022 Diocesan Nominating Committee:

Tom Damrosch – co-chair Mary Martin – co-chair

Sue Gore Will Harron

Pat O’Connell Libby Wade

Motion seconded, and approved unanimously.

Meeting was adjourned at 2:56

EMWM

Loan Request – Holy Spirit/Sutton

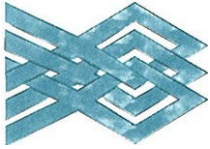
Holy Spirit is doing a project of refurbishment in the church with an estimated scope of approximately \$107,000. Work is projected to begin in late summer or early fall. They are looking for a loan of \$50,000 from EMWM, with a four-year term at 4% interest. The repayment will come from a combination of operating funds as well as distributions from investment funds. Because parish indebtedness will require Standing Committee approval, this will need to go before Standing Committee as well.

Repayment plan is from a savings account that will cover this year's sum, and that they will also take a distribution from the Holy Spirit investment account (not touching principal). In the future, they may need to draw from that principal, but are also investigating other options, including a capital campaign.

The meeting was **adjourned** at 3:00 p.m.

Respectfully submitted

Wende T. Wheeler, Secretary



THE EPISCOPAL DIOCESE OF WESTERN MASSACHUSETTS

37 Chestnut Street, Springfield, MA 01103 P: 413.737.4786 In MA: 800.332.8513 F: 413.746.9873

Date: September 20, 2022
To: Members of Diocesan Council
From: Kimberly Foster, Chief Financial Officer
Subject: **Proposed Plan for Use of Diocesan Resources in 2023**

SUMMARY OF DIOCESAN 2023 OPERATING BUDGET

- The proposed 2023 budget forecasts **\$2,657,375** in revenue and **\$2,656,625** of expenditures, resulting in a **\$750** expected surplus (see attached One Page Summary of the Proposed 2023 Budget).
- Reflected is a 2% increase to Health Insurance and a 5% COLA applied to staff compensation.
- An additional draw from investments of \$95,000 is needed to balance the budget.

STAFF ALLOCATION CHANGES

Some minor changes are as follows:

- Canon Vicki Ix reduced her time spent in the area of Communications to 70% and picked up 15% each in Congregational Support and Formation & Leadership Development.
- Susan Olbon made the decision to stay in her role as Canon through March 31st. On April 1st, Susan's hours will be reduced to 20 per week and her focus will be on HR and Benefits Compliance matters.
- Alison Gamache is now 100% Communications and is no longer assisting with payroll and benefits.
- Melanie Cortis increased her time spent to 65% in the area of payroll & benefits administration.
- We added 20 weekly hours for our Admin Assistant, Amanda Paredes, allocated amongst key categories.

REVENUE BREAKDOWN:

- **Assessment for Common Ministry: \$1,090,125** represents 41.0% of the budget. This is a decrease of over \$45K compared to 2022. We lost 15K in revenue from Trinity, Chicopee and saw a decrease in revenue as a result of the merger between St Thomas, Auburn and Grace Church, Oxford, now known as Good Shepherd, Oxford. Of the 49 remaining congregations, 32 reported a decline in normal operating income, 16 reported slight increases, and one remained unchanged (see pg. 3 for history over six years).
- **Use of Investments – Spending Rule: \$1,406,000** is a reasonably conservative estimate. **Note:** Between Q1 & Q2 2022, the quarterly distribution decreased by nearly \$4,000. Because the Trustees base the 5% annual distribution using a 20-quarter rolling average, income from investments should remain relatively steady despite the recent fluctuations in the market.
- **Use of Investments – Additional Draw: \$95,000** is needed to balance the operating budget. The Rainy Day fund is the 'go to' source for additional draws with a balance of **\$478,521** as of June 30th, 2022.
- **Use of Investments – Additional Draw: \$3,200** to be drawn from the Creation Care fund in support of Good News Gardens.
- **Program Income: \$30,250** in event registration fees generated from Diocesan Convention, Safe Church, Parish Leadership Day, Clergy Conference, and Loving the Questions.
- **Other Income: \$32,800** is projected with **\$3,200** committed by the Diocese of Massachusetts in support of Good News Gardens; **\$14,000** from a two-year grant from TEC in support of Young Adult Ministry; **\$5,000** in support of Hispanic Ministries in the Diocese coming from the annual Stickney Trust distribution; and the balance relates to reimbursement from the Trustees for administrative support to Mick Kalber, Executive Director of the Trustees for the Diocese of WMA.

EXPENSE BREAKDOWN AMONG BUDGET CATEGORIES:

- **Bishop's Ministry: \$580,305** includes our communications work with an increased allocation of staff time, parish visitations, confirmations and ordinations, and representation at the house of Bishops and other communion wide work.
- **Congregational Support: \$480,751** includes funding of \$146,000 in grant opportunities, significant support to congregations around clergy transitions, Safe Church Training & Prevention, and our budgets for Young Adult Ministry and Hispanic Ministry in the Diocese. Also includes unusual, limited expenditures initiated by Executive Leaders in support of a congregation in need.
- **Formation & Leadership Development: \$344,694** funds our Parish Leadership Day and other diocesan wide leadership events, Clergy Day(s) and Clergy Conferences, leadership training and coaching, Loving the Questions, Commission on Ministry, Diaconate Formation, Fresh Start, Seminarian Assistance, and support for the Episcopal Service Corps program (Lawrence House) in our diocese at All Saints, South Hadley.
- **Mission in the World: \$509,333** includes support for our outdoor worship communities, Creation Care, our apportionment to the Episcopal Church, Global Mission grants, support of ecumenical organizations, and support of Episcopal Relief and Development.
- **Governance: \$159,431** represents Chancellor's expenses, the cost of Diocesan Convention, General Convention (every three years), benefits for lay and ordained retirees, and costs associated with the Title IV disciplinary process. Legal fees are estimated to be \$60,400 based on \$4,200 month retainer, plus \$10,000 for miscellaneous other matters not covered by retainer.
- **Finance & Administration: \$425,333** are costs related to general business office operations including staff compensation and benefits, rent to CCC, repairs & maintenance, internet, telephone, supplies, leased equipment, property & liability insurance, cyber insurance, and the annual audit fee.
- **Agency: Admin & Human Resource Services: \$156,778** covers costs to provide services to the congregations for payroll and benefits administration as well as matters related to insurance. Also covered is the fee to cover the post retirement fund actuarial report.

PRIOR YEAR COMPARISON - CATEGORY RATIO TO OVERALL ANNUAL EXPENSES:

	<u>2022</u>	<u>2023</u>
• <u>Bishop's Ministry</u>	21.6%	21.8%
• <u>Congregational Support</u>	16.9%	18.1%
• <u>Formation & Leadership Development</u>	12.5%	13.0%
• <u>Mission in the World</u>	20.4%	19.2%
• <u>Governance</u>	7.8%	6.0%
• <u>Finance & Administration</u>	15.7%	16.0%
• <u>Agency: Admin & HR Services</u>	5.1%	5.9%

OTHER UPDATES:

2022 Apportionment to the Episcopal Church:

Our 2021 Diocesan Report to the Executive Council of the Episcopal Church has been filed. Based on our 2021 adjusted operating income, our 2023 annual assessment will be **\$334,843**, the lowest it's been in six years. This is primarily due to a resolution passed at General Convention increasing the amount of the exemption applied to the apportionment formula to **\$200,000**, up from **\$140,000**. This saved us nearly **\$10K**. In addition, we're able to deduct the TECH Grants awarded to congregations in 2021, further reducing our obligation.

Below is our Apportionment history paid to TEC over the past six years, averaging **\$352,558**:

• <u>2018</u>	\$342,831
• <u>2019</u>	\$351,447
• <u>2020</u>	\$370,129
• <u>2021</u>	\$366,406
• <u>2022</u>	\$349,690
• <u>2023</u>	\$334,843

Additional Draw History:

• <u>2019</u>	\$ 100,000
• <u>2020</u>	\$ 85,000 (planned; not used)
• <u>2021</u>	\$ 0
• <u>2022</u>	\$ 65,000 (planned; will not use)
• <u>2023</u>	\$ 95,000

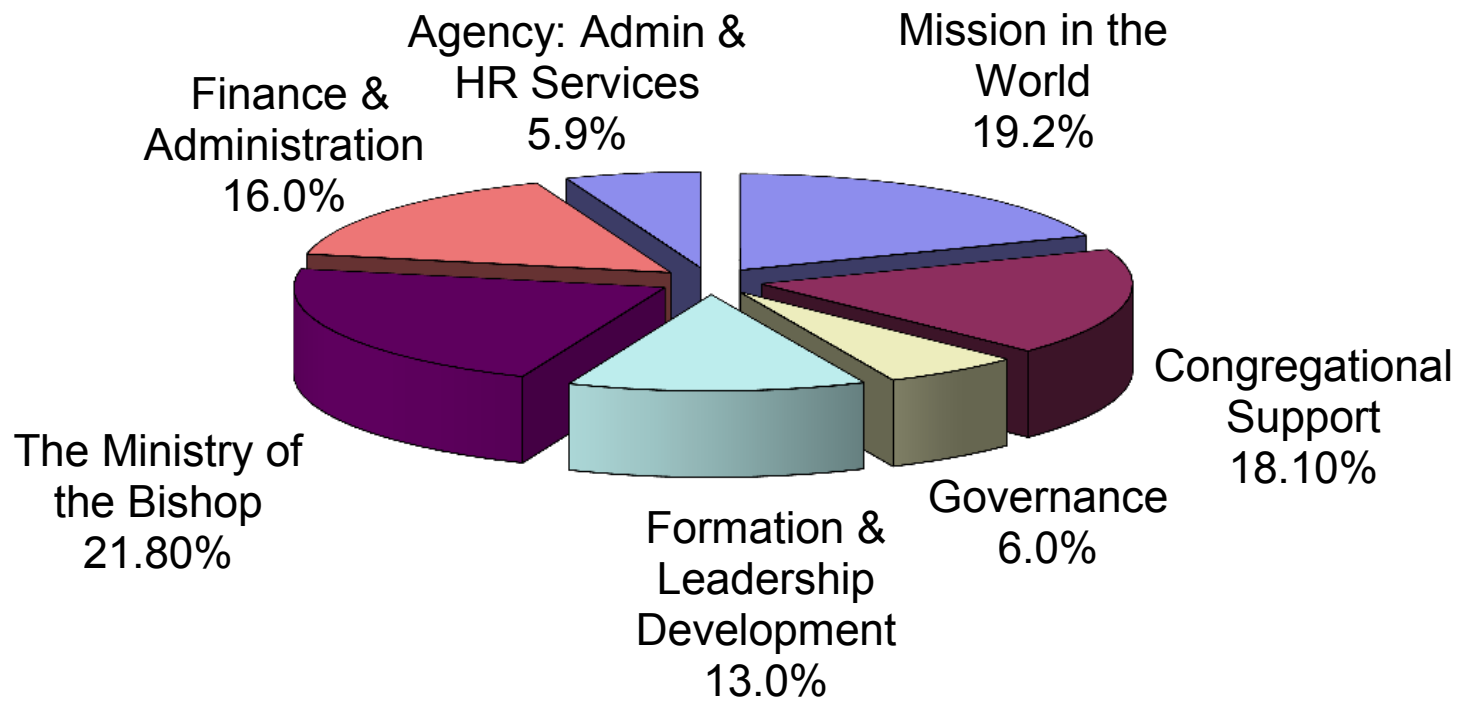
Common Ministry Assessment Revenue History:

• <u>2018</u>	\$1,124,645
• <u>2019</u>	\$1,144,906
• <u>2020</u>	\$1,000,980
• <u>2021</u>	\$1,142,346
• <u>2022</u>	\$1,135,521
• <u>2023</u>	\$1,090,125

The dip in 2020 reflects aide offered to all congregations for the months of April & May, resulting in a reduction of \$141,455. Assessment billings in 2020 were projected to be \$1,142,435, before forgiveness.

One Page Summary of the Proposed 2023 Budget

	2020 Actual	2021 Actual	2022 Budget	2023 Proposed Budget	<u>% of Budget</u>
<i>OPERATING REVENUES</i>					
Assessment for Common Ministry	1,000,980	1,139,884	1,135,521	1,090,125	41.0%
Use of Investments - Spending Rule	1,149,100	1,376,328	1,407,600	1,406,000	52.9%
Investment Income - Additional Draw	0	0	68,200	98,200	3.7%
Program Income	5,721	8,235	31,250	30,250	1.1%
Other Income and Gifts	325,293	30,429	64,790	32,800	1.2%
Internal Funding		6,320	0	0	0.0%
<u>Interest Income</u>	<u>930</u>	<u>681</u>	<u>0</u>	<u>0</u>	0.0%
TOTAL REVENUES FOR DIOCESAN OPERATIONS	2,482,025	2,561,877	2,707,361	2,657,375	100.0%
 <i>OPERATING EXPENSES</i>					
The Ministry of the Bishop	487,536	544,976	584,291	580,305	21.8%
Congregational Support	461,819	617,163	457,944	480,751	18.1%
Formation & Leadership Development	165,449	127,261	337,272	344,694	13.0%
Mission in the World	543,105	547,275	551,161	509,333	19.2%
Governance	171,943	144,087	212,350	159,431	6.0%
Finance & Administration	497,444	420,561	424,422	425,333	16.0%
<u>Agency: Administration & Human Resource Services</u>	<u>154,650</u>	<u>160,522</u>	<u>139,342</u>	<u>156,778</u>	5.9%
TOTAL OPERATING EXPENSE	2,481,946	2,561,845	2,706,782	2,656,625	100.0%
 OPERATING REVENUE AND EXPENSE					
Operating Income	2,482,025	2,561,877	2,707,361	2,657,375	
<u>Operating Expense</u>	<u>2,481,946</u>	<u>2,561,845</u>	<u>2,706,782</u>	<u>2,656,625</u>	
SURPLUS/(DEFICIT)	79	32	579	750	



		EPISCOPAL DIOCESE OF WESTERN MA					
		PROPOSED 2023 BUDGET					
			Y/E Actual 2021		YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
<u>REVENUES</u>							
Assessment for Common Ministry			\$1,139,884		\$757,739	\$1,135,521	\$1,090,125
Use of Investment - Trustees			\$1,376,328		\$944,579	\$1,475,800	\$1,504,200
Program Income			\$8,235		\$11,060	\$31,250	\$30,250
Other Income and Gifts			\$30,429		\$55,636	\$64,790	\$32,800
Internal Grant Funding			\$6,320		\$0	\$0	\$0
Interest Income			\$681		\$167	\$0	\$0
		TOTAL DIOCESAN INCOME AND GIFTS	\$2,561,877		\$1,769,181	\$2,707,361	\$2,657,375

			Y/E Actual 2021		YTD Actual 31-Aug-22		2022 ANNUAL BUDGET		2023 PROPOSED BUDGET
<u>EXPENSES</u>									
<u>BISHOP'S MINISTRY</u>									
PROGRAMS									
	Communications	Wages and Benefits	\$165,066		\$120,022		\$178,630		\$164,318
	Communications	Business Expenses	\$22,151		\$17,686		\$22,985		\$23,735
		Total Communications	\$187,218		\$137,708		\$201,615		\$188,053
	Social Justice		\$1,129		\$700		\$3,000		\$4,000
	Retired Clergy Gatherings		\$1,962		\$2,691		\$3,600		\$3,600
	Special Diocesan Events		\$10,030		\$2,212		\$6,000		\$4,000
	Wanderings and Special Journeys		\$0		\$0		\$2,000		\$1,200
		Total PROGRAMS	\$200,338		\$143,311		\$216,215		\$200,853
PERSONNEL EXPENSES									
	Wages and Benefits		\$318,967		\$222,979		\$334,726		\$349,124
	Business Expenses		\$25,671		\$15,733		\$33,350		\$30,327
		Total PERSONNEL EXPENSES	\$344,638		\$238,711		\$368,076		\$379,452
		TOTAL BISHOP'S MINISTRY	\$544,976		\$382,022		\$584,291		\$580,305

		Y/E Actual 2021	YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
CONGREGATIONAL SUPPORT: Mission with Congregations					
GRANTS and SCHOLARSHIPS					
	Clergy Children Educational Grants	\$4,500	\$1,500	\$5,000	\$5,000
	College Scholarships	\$39,325	\$35,500	\$45,000	\$40,000
	Continuing Education Grants	\$1,050	\$0	\$6,500	\$5,000
	Deanery	\$916	\$528	\$1,000	\$1,000
	Ministry Development Initiatives	\$119,270	\$63,188	\$70,000	\$70,000
	Sabbatical Grants	\$6,660	\$13,709	\$23,494	\$25,000
	Total GRANTS and SCHOLARSHIPS	\$171,720	\$114,425	\$150,994	\$146,000
OPERATIONAL EXPENSES					
	Congregational Assistance	\$4,006	\$500	\$5,000	\$2,500
	Transition Ministry	\$2,833	\$3,191	\$4,650	\$4,650
	Christian Formation Missioner	\$60,055	\$0	\$0	\$0
	Latino Ministries	\$141,483	\$85,734	\$137,420	\$141,838
	Safe Church Training and Prevention	\$4,299	\$3,122	\$4,730	\$5,550
	Stewardship	\$1,000	\$1,000	\$1,750	\$1,750
	Young Adult Ministry	\$15,327	\$9,053	\$12,000	\$14,000
	Total Operational Expenses	\$229,002	\$102,599	\$165,550	\$170,288
PERSONNEL EXPENSES					
	Wages and Benefits	\$211,913	\$91,854	\$136,399	\$159,964
	Business Expense	\$4,528	\$1,712	\$5,000	\$4,500
	Total PERSONNEL EXPENSES	\$216,441	\$93,566	\$141,399	\$164,464
	TOTAL CONGREGATIONAL SUPPORT	\$617,163	\$310,590	\$457,944	\$480,751

		Y/E Actual 2021	YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
FORMATION & LEADERSHIP DEVELOPMENT					
OPERATIONAL EXPENSES					
	Education for Ministry	\$1,750	\$1,750	\$1,750	\$1,750
	Parish Leadership Day	\$300	\$2,500	\$10,100	\$9,800
	Formation and Leadership Development	\$19,403	\$10,816	\$24,700	\$24,200
	Clergy Conferences	\$3,998	\$9,188	\$23,050	\$22,000
	Commision on Ministry	\$10,003	\$531	\$6,550	\$7,953
	Diaconate Formation	\$2,658	\$4,488	\$7,517	\$6,671
	Fresh Start	\$116	\$25	\$3,000	\$3,000
	Seminarian Assistance	\$5,200	\$8,200	\$15,200	\$12,200
	Lawrence House	\$10,000	\$10,000	\$10,000	\$10,000
	TOTAL OPERATIONAL EXPENSES	\$53,428	\$47,498	\$101,867	\$97,574
PERSONNEL EXPENSES					
	Wages and Benefits	\$72,256	\$153,199	\$230,407	\$242,620
	Business Expense	\$1,578	\$1,659	\$5,000	\$4,500
	TOTAL PERSONNEL EXPENSES	\$73,833	\$154,858	\$235,407	\$247,120
	TOTAL LEADERSHIP DEVELOPMENT	\$127,261	\$202,356	\$337,273	\$344,694

		Y/E Actual 2021	YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
<u>MISSION IN THE WORLD</u>					
OPERATIONAL EXPENSES					
	Outdoor Worship Communities				
	Wages and Benefits	\$57,261	\$39,152	\$58,732	\$61,088
	Business Expenses	\$18,500	\$10,000	\$22,000	\$11,000
	Total Outdoor Worship Communities	\$75,761	\$49,152	\$80,732	\$72,088
	Creation Care				
	Wages and Benefits	\$47,655	\$28,947	\$42,458	\$43,802
	Business Expenses	\$8,804	\$4,813	\$8,151	\$8,151
	Total Creation Care	\$56,459	\$33,760	\$50,609	\$51,952
	Ecumenical Relations				
	Berkshire Organizing Project	\$3,500	\$2,625	\$3,500	\$3,500
	Ecumenical Officer	\$0	\$0	\$1,800	\$1,800
	Interfaith Council	\$400	\$400	\$400	\$400
	Mass Council of Churches	\$15,000	\$10,000	\$15,000	\$15,000
	Province One	\$9,749	\$6,500	\$9,750	\$9,750
	Total Ecumenical Relations	\$28,649	\$19,525	\$30,450	\$30,450
	The Episcopal Church Apportionment	\$366,406	\$233,127	\$349,690	\$334,843
	Global Mission	\$10,000	\$2,645	\$10,000	\$10,000
	Lambeth	\$0	\$13,609	\$19,680	\$0
	Sustainable Development Goals	\$10,000	\$7,500	\$10,000	\$10,000
	TOTAL MISSION IN THE WORLD	\$547,275	\$359,318	\$551,161	\$509,333

			Y/E Actual 2021	YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
GOVERNANCE						
OPERATIONAL EXPENSES						
	Chancellor's Conference		\$54,151	\$35,335	\$63,565	\$63,565
	Diocesan Convention					
		Wages and Benefits	\$6,974	\$4,805	\$7,175	\$7,518
		Business Expenses	\$3,562	\$0	\$23,825	\$23,825
		Total Diocesan Convention	\$10,535	\$4,805	\$31,000	\$31,343
	Diocesan Council		\$0	\$0	\$2,050	\$1,800
	General Convention		\$0	\$23,616	\$44,925	\$0
	House of Bishops		\$0	\$3,589	\$4,000	\$5,000
	Retired Clergy and Lay Support		\$63,192	\$15,533	\$25,484	\$24,446
	Standing Committee		\$0	\$0	\$300	\$300
	Title IV	Wages and Benefits	\$862	\$222	\$3,000	\$3,000
	Title IV	Business Expenses	\$696	\$0	\$5,300	\$4,800
	Title IV		\$1,558	\$222	\$8,300	\$7,800
	Governance Admin	Wages and Benefits	\$14,651	\$19,455	\$32,727	\$25,177
		TOTAL GOVERNANCE	\$144,087	\$102,554	\$212,350	\$159,431

		Y/E Actual 2021	YTD Actual 31-Aug-22	2022 ANNUAL BUDGET	2023 PROPOSED BUDGET
<u>DIOCESAN FINANCE & ADMINISTRATION</u>					
	ARCHIVE EXPENSES				
	Wages and Benefits	\$6,942	\$4,664	\$7,010	\$7,296
	Business Expenses	\$135	\$145	\$500	\$500
	TOTAL ARCHIVE EXPENSES	\$7,077	\$4,809	\$7,510	\$7,796
	OPERATIONAL EXPENSES				
	Financial Management	\$30,865	\$28,353	\$31,225	\$31,425
	Property - Plant	\$114,763	\$78,560	\$121,205	\$120,444
	General Operations	\$28,916	\$17,605	\$33,650	\$29,000
	TOTAL OPERATIONAL EXPENSES	\$174,544	\$124,517	\$186,080	\$180,869
	PERSONNEL EXPENSES				
	Wages and Benefits	\$235,545	\$149,020	\$226,215	\$232,463
	Business Expenses	\$3,395	\$1,833	\$4,617	\$4,205
	TOTAL PERSONNEL EXPENSES	\$238,940	\$150,853	\$230,832	\$236,667
	TOTAL DIOCESAN FINANCE & ADMINISTRATION EXPENSES	\$420,561	\$280,179	\$424,422	\$425,333
<u>DIOCESAN AGENCY EXPENSES FOR CONGREGATION SUPPORT</u>					
	OPERATIONAL EXPENSES	\$14,048	\$10,531	\$15,740	\$22,240
	PERSONNEL EXPENSES				
	Wages and Benefits	\$141,514	\$81,912	\$122,802	\$133,408
	Business Expenses	\$4,959	\$871	\$800	\$1,130
	TOTAL PERSONNEL EXPENSES	\$146,473	\$82,784	\$123,602	\$134,538
	TOTAL DIOCESAN AGENCY EXPENSES	\$160,521	\$93,315	\$139,342	\$156,778
	TOTAL EXPENSES	\$2,561,845	\$1,730,335	\$2,706,782	\$2,656,625
	NET INCOME (LOSS)	\$32	\$38,847	\$579	\$750

Motions Made & Carried by B&FP Committee, Tuesday, Sept 20th, 2022:

- **The Committee unanimously agreed to recommend to Council the following:**
- **1.** Approval of the 2023 Diocesan Annual Budget as presented by Kimberly Foster.
- **2.** An additional draw of \$95,000 from the Rainy Day fund in support of the 2023 operating budget.
- **3.** An additional draw of \$3,200 from the Creation Care fund in support of Good News Gardens.

REAL ESTATE UPDATE: CHICOPEE

Trinity Church Rectory, Chicopee closed on June 21st for a sale price of **\$325,000**. The final amount of gain on the sale was **\$296,406** after deducting all costs associated with the closing.

Trinity Church, Chicopee closed on June 28th for a sale price of **\$200,000** with a final gain of **\$188,857** after all closing related expenses.

PROPOSED ALLOCATION OF FUNDS FROM TRINITY SALES & TRANSFER OF INVESTED FUNDS

Total Available Funds as of June 30th:

Net Proceeds from two property sales:	\$485,263
Cash from Trinity checking transfer:	\$ 20,000
Invested Funds with the Trustees:	\$483,032
TOTAL	\$988,295

B&FP Recommendation:

To follow Trinity Church parishioners:	20%	*\$200,000
Parish Loan Fund (EMWM):	20%	\$200,000
Rainy Day Fund:	30%	\$300,000
Mission Vitality Fund:	30% approx.	100% of Balance

* All Saints' Church, S. Hadley - \$100K

St. Paul's, Holyoke - \$50K

St. David's, Agawam - \$50K

EPISCOPAL DIOCESE OF WESTERN MASSACHUSETTS

Policy Concerning the Parish Loan Program

Congregations in the diocese are eligible to apply for a loan of up to \$50,000 at an interest rate determined as appropriate on a case by case basis at the time of the request. The repayment term will be commensurate with the purpose and size of the loan and the parish's ability to repay it. In most cases, parishes will be encouraged to conduct a capital campaign to repay loans used for capital purposes. In some cases, the term of the loan will be consistent with the payment of capital campaign pledges.

Loan request applications will be reviewed by the Parish Loan Committee, the Chancellor, and the Treasurer, and if approved by them, presented to the Standing Committee, the Bishop and Council for approval.

Prior to making application for a loan under this program, any parish making inquiry is encouraged to consider the following options:

- The Episcopal Church Building Fund, especially for larger loans
- The parish's own local bank especially if the parish has sufficient endowment to secure the loan itself
- Borrowing the funds unrestricted endowment or other investments, if available
- Capital Campaign to retire the loan

PROCESS: Parishes that wish to apply for a loan under the Parish Loan Program shall request and complete an application form. The application requires the parish to identify the purpose for the loan and the manner in which the loan will be repaid. Upon receiving all required information as specified on the loan application, the Loan Committee will make an effort to process the request within ninety (90) days of receipt.

If approved, loans will be secured by a note or suitable written agreement between the Diocese and the parish. Loan payments (principal and interest) are to be made monthly in a fixed amount according to an amortization schedule that will accompany the note.

In order to be eligible for a loan under this program, a parish must meet the following requirements:

- Filing its Parochial Report in a timely manner for the most recent reporting year
- Demonstrate the evidence of a parish audit for the most recent year

The Episcopal Diocese of Western MA

Parish Loan Committee
Attention: Chairperson
ParishLoanCommittee@diocesewma.org

DIOCESAN PARISH LOAN APPLICATION

DATE OF APPLICATION: _____

Contact Person Name: _____

Church Name: _____ Address: _____
Street Address _____ Phone _____
City/Town/Zip _____ Email Address: _____
Phone: _____

Senior Warden Name: _____ Treasurer Name: _____
Address: _____ Address: _____
Phone: _____ Phone: _____
Email Address: _____ Email Address: _____

PROJECT BUDGET (estimate)	
DIOCESAN LOAN FUND REQUEST *Term Requested: _____	
ENDOWMENT FUNDS	\$
OTHER SOURCES	\$
TOTAL PROJECT FUNDING SOURCES	

**Term commensurate with purpose and size of loan and Parish's ability to repay*

LOAN PURPOSE / REPAYMENT PLAN: *Please answer the following questions and attached a separate page as necessary:* **1.** Describe the purpose of this loan and scope of work to be done. **2.** What are the sources to be used for repayment? **3.** Do you believe the project is eligible for a loan from the Episcopal Church Building Fund?

The Episcopal Diocese of Western MA

PLEASE ANSWER THE FOLLOWING QUESTIONS

- ☐ Yes ☐ No 1. Does the parish have a Diocesan loan? *Amount:* _____ *Term:* _____
- ☐ Yes ☐ No 2. Is Diocese guarantor of any financial obligations? *Amount:* _____
- ☐ Yes ☐ No 3. Are Assessments paid in full to date? *If not, % paid?* _____
- ☐ Yes ☐ No 4. Has the Parish Vestry approved this application?
- ☐ Yes ☐ No 5. Has the request been submitted to the Episcopal Church Building Fund?
- ☐ Yes ☐ No 6. Has the Parish completed a financial audit for the most recent year ended?

If further explanation is needed, please add comments below. (Attach separate page if needed)

REQUIRED INFORMATION WITH THIS APPLICATION:

Please attach to this Application and label....

- 1) Current year-to-date and prior 2 yrs. financial statements (Statements of Income & Expense and Balance Sheet)
- 2) Projected parish annual budget
- 3) Project budget including fees and contingencies
- 4) Contractor bids (at least two required)
- 5) Plot plan or a sketch of parish property
- 6) A vote of the Vestry authorizing this request

Additional Information Required Prior to Close / Funding of a New Loan:

Not required as part of the Application for a loan.

- 1) Provide a copy of the most recent Financial Audit including the Statement of Income & Expense and a Balance Sheet identifying any restriction on assets
- 2) Provide copies of Parochial Reports for the past two years
- 3) Comprehensive Property Insurance: Provide a copy of the binder or declarations page
- 4) Provide a copy of the Deed and Plot Plan

Submission Instructions: Completed applications and required documents should be submitted electronically via email to: ParishLoanCommittee@diocesewma.org

Motions Made & Carried by B&FP Committee, Tuesday, Aug 23rd, 2022:

The Committee unanimously agreed to recommend to Council the following allocation of funds totaling \$988,295 (as of June 30th) from Trinity Church, Chicopee property sales and transfer of invested funds:

- | | | |
|---|-------------|-----------------|
| • 1. To follow Trinity Church parishioners | 20% | *\$200,000 |
| • 2. To create a 'Parish Loan Fund' in EMWM | 20% | \$200,000 |
| • 3. Transfer to the Rainy Day Fund | 30% | \$300,000 |
| • 4. Transfer to Mission Vitality Fund | 30% approx. | 100% of balance |

* All Saints' Church, S. Hadley - \$100K
St. Paul's, Holyoke - \$50K
St. David's, Agawam - \$50K

Motions Made & Carried by B&FP Committee, Tuesday, Aug 23rd, 2022:

The Committee unanimously agreed to recommend to Council two additional draws from the Creation Care Fund with the Trustees for the purpose of partnering with the Diocese of MA to develop “An Episcopal Path to Creation Justice”. The draw schedule is as follows:

- **1. For Oct – Dec 2022** (to be drawn in Oct 2022) **\$ 3,500**
- **2. For Jan – June 2023** (to be drawn in Jan of 2023) **\$10,000**

PROPOSAL FOR CREATION CARE PROJECT MANAGER AND RELATED DRAWS

The following is a summary of the proposal and draw requests from the Creation Care fund with the Trustees made by Margaret Bullitt-Jonas:

Margaret has been partnering with the Diocese of MA to develop what's being called '*An Episcopal Path to Creation Justice*'. This is a web-based program to encourage congregations to amplify their climate action. While the project is being carried on the books of the Diocese of MA, both dioceses would share the cost of this project and they now need to hire a Project Manager to take this to the next level. The position would begin in October 2022, with funding through June of 2023 to start.

The B&FP Committee recommendation is for **\$3,500** to cover Oct – Dec 2022, and **\$10,000** to cover January – June 2023.

Margaret's proposal (*see full proposal attached*) indicates a goal to seek additional sources of funding from Province One (Sowing Seeds grant), and from the Episcopal Church's Creation Care grants, and other sources.

From: Margaret Bullitt-Jonas
To: Budget & Financial Planning Committee
Subject: Proposal for Creation Care Project Manager
Date: July 29, 2022

As part of my job serving both dioceses (Missioner for Creation Care, DioWMA; Creation Care Advisor, DioMA), I have been meeting regularly with Creation Care Justice Network (CCJN), a group of volunteers, to develop what we're calling "**An Episcopal Path to Creation Justice.**" "An Episcopal Path" is a website-based program to encourage congregations to amplify their climate action. Inspired by "[Green Congregation Challenge](#)," produced by Southern New England Conference, UCC), we are developing a program organized around PRAY, LEARN, ACT, and ADVOCATE, challenging congregations to move from Level 1 (entry level) to Level 4 (climate champion). **Both dioceses in MA would share this project.**

Thanks to Martha Gardner, initial funding from DioMA covered the cost of some initial web design. **We now need to pay a Project Manager to do the following:**

- develop a pdf mockup of the proposed website and think through the options of how to make this project both useful and appealing;
- share it with clergy and lay leader focus groups in both dioceses as we assess which approaches would most appeal to our congregations;
- work with Margaret and CCJN (Creation Care Justice Network) to develop content of the four levels;
- shepherd the process;
- design and develop the website;
- brainstorm rollout in the two dioceses;
- oversee the project's launch and implementation in both dioceses in consultation with Margaret (DioWMA) and Martha (DioMA).

We would like the position to begin in October 2022, with funding through June 2023 to start. We envision a quarter-time position to be paid as a stipend at \$7,500/quarter. Funds from DioWMA would be given to DioMA to pay the stipend. Martha and I will be searching for the best candidate.

For October-December 2022, I'd like to request that \$3,500 be available from Diocese of Western MA. Diocese of MA will pay \$4000 to total the \$7500.

For January-June 2023, I would like to request that \$10,000 be available from Diocese of Western MA. At this point the Diocese of MA can commit \$5000.

Our hope and vision are that An Episcopal Path to Creation Justice:

- will be overseen for a longer term (beyond June 2023) by the Project Manager (we will seek funding from Province One (e.g., Sowing Seeds grant), from the Episcopal Church's Creation Care grants, and other sources)
- will become a program embraced by all the dioceses in Province One; and
- will eventually be used across the Episcopal Church, just as "Sustain Earth, Our Island Home" originated with the Diocese of California and then became churchwide. Martha and I are beginning those conversations with the appropriate people on the Presiding Bishop's staff.

Thank you for considering this request. I am excited about this project and I would be glad to address any questions and concerns (cell: 413/695-7683; email: mbj@revivingcreation.org).

Minutes of the Episcopal Missions of Western Massachusetts

June 9, 2022

2:00 p.m. via Zoom

Present

The Rt. Rev. Doug Fisher, President
Richard Delorme
Frank Minasian
The Rev. Eliot Moss
Mark Rogers, Treasurer
The Rev. Tanya Wallace, Vice-President
The Rev. Dcn. Beth Washburn
Reynolds Whalen
Wende Wheeler, Secretary
The Rev. Janet Zimmerman

Absent

The Rev. Tom Callard
Richard Gore
The Rev. Charlotte LaForest
Mary Frances Rozak
The Rev. Rich Simpson
Janet Young

The meeting was called to order at 3 p.m.

Loan Request – Holy Spirit/Sutton

Holy Spirit is doing a project of refurbishment in the church with an estimated scope of approximately \$107,000. Work is projected to begin in late summer or early fall. They are looking for a loan of \$50,000 from EMWM, with a four-year term at 4% interest. The repayment will come from a combination of operating funds as well as distributions from investment funds. Because parish indebtedness will require Standing Committee approval, this will need to go before Standing Committee as well.

Repayment plan is from a savings account that will cover this year's sum, and that they will also take a distribution from the Holy Spirit investment account (not touching principal). In the future, they may need to draw from that principal, but are also investigating other options, including a capital campaign.

The following motion was made: That the Episcopal Missions of Western Massachusetts loan Holy Spirit parish in Sutton the sum of \$50,000 at 4% interest for four years. The motion was seconded and passed unanimously.

The meeting was **adjourned** at 3:03 p.m.

Respectfully submitted

Wende T. Wheeler, Secretary