



THE EPISCOPAL DIOCESE OF WESTERN MASSACHUSETTS

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Date: December 10th, 2025
To: Members of Diocesan Council
From: Kimberly Foster, Chief Financial Officer
Subject: **REVISED Plan for Use of Diocesan Resources / Proposed Building Bridges 2026 Plan**

SUMMARY OF REVISED DIOCESAN 2026 OPERATING BUDGET:

- The revised 2026 budget forecasts **\$2,992,850** in revenue and **\$2,992,344** of expenditures, resulting in a **\$506** expected surplus (see Revised 2026 Diocesan Budget).

The following summarizes the changes adding **\$174K** since the budget was approved at Convention:

- Racial Reconciliation:** The Missioner for Racial Reconciliation position and related program expenses have been added within the Mission in the World area of the budget. 2026 expenses are prorated over ten months. An expense summary is noted below:

○ Personnel Costs: Offset - St. Peters	(\$20,833)
○ Salary (<i>10 months</i>)	\$72,917
○ Health & Dental	\$33,130 (<i>assumes full family</i>)
○ Social Security	\$ 5,578
○ Pension	\$ 14,129
○ Worker's Comp	\$ 250
○ Relocation Expense	\$ 15,000
○ Program Expense	\$ 25,000
○ Misc. Business Expenses	\$ 7,600

2026 Total Expenses

\$152,771

- Bishop-elect Personnel Costs:** The Standing Committee is in the process of negotiating the compensation package for our Bishop-elect. Based on preliminary discussions, I was directed to project a **\$15,000** increase to the bishop's salary line and to carry health & dental coverage for the full family. Implementing these two changes prorated for 8 months (May – December) added **\$21,000** to the Bishop's Ministry area of the annual budget.

ADDITIONAL DRAWS:

To cover the above added expenses, the following additional draws are requested:

- Rainy Day fund:** Request to increase previously approved draw from **\$95,000** to **\$116,000**.
- New Racial Reconciliation fund:** Request to draw up to **\$153,000** at year end 2026.
- Creation Care fund:** No change to **\$20,000** draw previously approved.

BUILDING BRIDGES PROPOSED 2026 BUDGET:

Building Bridges will remain, at least for now, a separate program outside the diocesan operating budget. We have worked with The Rev. Chris Carlisle on the 2026 budget, which includes anticipated income from individual sites (**\$40,000** in participant donations and small grants from local organizations); grants from outside organizations including some in conversation now (**\$20,000**); and an estimated additional draw from Mission Vitality fund of **\$50,000** is requested to balance the budget.

Expenses include the director's salary & comp insurance - **\$49,510**; support from fundraising and communications consultants - **\$15,000**; administrative expenses of **\$15,040** includes mileage reimbursement, software & website fees, and misc. costs for supplies and printing; and **\$30,000** is planned to cover program expenses.

The program has made a significant shift this past year toward greater financial sustainability by streamlining staff, increasing volunteers, and only opening new sites that are self-funded. The diocesan leadership and the Building Bridges leadership have made a commitment to develop a self-sustainable budget plan by June 30, 2026, with implementation no later than January 1, 2027.

Motions Made & Carried by B&FP Committee, Tuesday, Dec 9th, 2025:

The Committee unanimously agreed to recommend to Council the following:

- All motions are related to the revised 2026 budget -

- 1.** Approval of the revised 2026 Diocesan Annual Budget as presented.
- 2.** An additional draw of up to **\$116,000** from the Rainy-Day fund in support of the revised 2026 operating budget.
- 3.** An additional draw of **\$20,000** from the Creation Care fund in support of the Episcopal Path to Creation Justice in January of 2026.
- 4.** Transfer **\$500,000** from the Rainy-Day fund with the Trustees to create a new, Board-designated fund entitled: ***Racial Reconciliation*** in January of 2026.
- 5.** An additional draw of up to **\$153,000** from the Racial Reconciliation fund in support of the Missioner for Racial Reconciliation position and related program expenses in 2026.

Motion Made & Carried by B&FP Committee, Tuesday, Dec 9th, 2025:

1. Approval of the 2026 Building Bridges budget as presented.
2. An additional draw of up to **\$50,000** from the Mission Vitality Fund in support of the 2026 Building Bridges budget to be taken in December of 2026.