



Prudence Crandall
3 September 2010

Dear Sisters and Brothers in Christ,

In a letter intended to introduce the 2011 Diocesan Budget, I could not resist bringing to your attention the gift of this day's commendation of Prudence Crandall in Holy Women and Holy Men. Prudence is certainly a word which we all associate with our economic affairs, and I hope the word is seen to apply aptly to the Board's work on the budget which will come before the 2010 Diocesan Convention.

Of course, we could only hope that we could create a budget which might be seen as much of a mission statement to Jesus Christ as was the life itself of Prudence Crandall. Prudence was a school teacher from Rhode Island, who won over the hearts of her wealthy citizens when she started a school for girls in Connecticut. When, however, she extended education to an African American girl, Sarah Harris, she was dismissed, bravely opening her own school for African American girls only. For this she faced persecution, and was actually arrested, jailed and tried. Only after fifty years in late 1880s did she receive a petition expressing shame and regret for the treatment she received.

It may not be a stretch to say that prudent budgets in difficult times can be seen as acts of courage, especially if the decision taken seeks to hold the line on what is important. In 2010 we decided that personnel had to take precedence over program. God uses individuals to do God's will, and it is their faith and creativity that gets the job done, sharing in Paul's character of learning to be content whether in plenty or want.

The budget for 2011 continues that response to the difficult times of 2009/10, and seeks to preserve people, while waiting for new sources for program to be replenished. On the income side it reflects low investment income because of a three year rolling average from which we take 5 % for the general budget. The income rolling average including 2009 will be with us even through 2012. Investments make up 20% of our total income. The Stewardship Commission is looking into launching a Capital Campaign in 2012 which would have one focus on increasing the growth of our key Endowments. Giving from congregations, (the Stewardship Share) shows a 5% increase because we anticipate a couple of larger congregations being able to get closer on track with their Asked Share than was possible for them last year.

Hence I say that prudence rules the day. There are no cost of living increases for staff, but we are able to keep the staff as it is. Those who have attended the Open Houses this year will appreciate how extensive and vital their ministry is to us all. The same applies to Chaplains, even as program monies have been cut further. We have encouraged the Chaplains to engage in fund-raising among the parents, friends, supporters and congregations of their student faith communities. By maintaining our giving to The

EPISCOPAL DIOCESE OF IOWA ✠ *IN MISSION WITH CHRIST THROUGH EACH AND ALL*

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Episcopal Church at the same level as last year, we actually draw closer to our full Asking and expect to be able to close that gap by the next General Convention budget.

One decrease in expenses is related to retired clergy medical supplement subsidy. For little change in benefits, the Board has decided to be able to offer a supplement subsidy at a lower premium for 2011. In contrast, Convention mandated unemployment insurance for employees for 2011, and that has increased the payroll taxes line by 25%. Our comptroller Bob Joy always does a great job in keeping administrative expenses well below budget, and his prudent conservatism is reflected throughout that side of the budget. Commissions continue to be asked to work with a block grant system for their expenses for amounts allotted equally to the previous year. The Youth Ministry Development Team have agreed to provide some of their unused budgeted amounts for other ministries especially related to young adult ministry and Christian formation. Normally unused budgeted funds roll back into the Fund that supports their ministries.

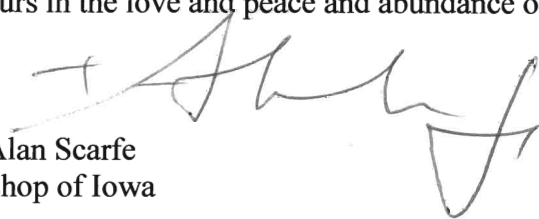
If greater than expected largesse should break forth, our priorities would be to increase what is available for ministry grants, underscoring that such grants are for innovative ministries, such as the emerging ministries in new faith communities and the new work of the Jacob's Ladder Diocesan Commission for the disabled and differently-abled.

As noted above, a church budget is an articulation of a faith community's mission statement. I think you have shown faithfulness and realism, discretion and valor, prudence and courage in these last couple of years. You have also demonstrated that there has to be limits within an institutional expression of faith in order to allow for free response to the new movements of the Spirit who blows where she wills. The generosity for the bikes for clergy in Nzara, or in response to the disasters in Haiti and in our own neighborhoods, as well as to individuals seeking to do ministry without ready resources or to go to Seminary, have also to be placed alongside what the Diocese considers as its economic statement. It is not an "either or" situation, but a prudent and yet courageous "both and".

I give thanks to God for you all as you continue the work of being "In mission with Christ through each and all".

Yours in the love and peace and abundance of Christ,

+ Alan Scarfe
Bishop of Iowa

A handwritten signature in black ink, appearing to read "Alan Scarfe", written in a cursive style. The signature is positioned above the typed name and title.

1	EPISCOPAL DIOCESE OF IOWA				09/10/10
2	2011 PROPOSED BUDGET				<i>Revised</i>
3		2009	2009	2010	2011
4		ACTUAL	BUDGET	BUDGET	BUDGET
5	RECEIPTS				
6	Congregational Pledges	742,924	871,128	783,037	827,346
7	Gifts & Other Income	19,522	11,000	23,000	23,000
8	ECCC Income for Youth Ministries	39,437	58,950	63,250	63,250
9	Retired & Needy Clergy Fund	0	0	0	
10	Episcopate Fund Income	140,400	125,348	94,000	92,382
11	Other Investment Income	139,974	157,058	126,000	115,218
12	E-Seminary Tuition	20,420	15,000	15,000	15,000
13	TOTAL RECEIPTS	<u>1,102,677</u>	<u>1,238,484</u>	<u>1,104,287</u>	<u>1,136,196</u>
14					
15					
16	DISBURSEMENTS				
17	One World, One Church				
18	Pledge to Episcopal Church	162,119	162,119	162,119	162,119
19	Swaziland Projects/Travel Costs	2,500	1,738		
20	Workshops/Conferences	2,412	1,738		
21	Commission Operation & Travel	86	348		
22	Ecumenical Diocesan Officers Dues	250	174		
23	Ecumenical Liaison		1,391		
24	National Workshop for Christian Unity/NNEDEO		1,043		
25	Iowa Interfaith Alliance		35		
26	Episcopalians for Global Reconciliation		174		
27	Commission Block Grant			5,000	5,000
28	Millennium Development Goals	9,400	9,369	8,210	7,900
29	Total - One World, One Church	<u>176,767</u>	<u>178,129</u>	<u>175,329</u>	<u>175,019</u>
30					
31	Congregational Life				
32	Ministry Grants	18,934	19,976	12,000	12,000
33	Deployment Officer-Salary and Pension	18,950	17,700	17,700	17,700
34	Deployment Officer-Travel and Supplies	2,804	6,000	3,000	3,000
35	Summer Ministry School & Retreat	2,696	2,782	2,500	2,500
36	Fresh Start	425	1,391	1,200	1,200
37	Living Stones Diocesan Partnership	3,691	2,000	2,000	2,000
38	Program/Consultants/Materials		1,391	0	
39	Evangelism Initiative		2,086	0	2,000
40	Communications			12,145	12,145
41	E-Seminary-Faculty, ICN, and Materials	20,113	10,431	10,000	10,000
42	Total - Congregational Life	<u>67,613</u>	<u>63,757</u>	<u>60,545</u>	<u>62,545</u>
43					
44	Youth Ministry Development Team				
45	Campus Chaplains' Salaries/Housing	62,801	62,721	62,721	62,721
46	Campus Chaplains' Pension	4,836	6,693	6,693	6,693
47	Campus Chaplains' Medical/Life Insurance	2,823	11,210	9,600	10,080
48	U. of Iowa Program & Office	9,736	9,736	6,000	3,000
49	ISU Program & Office	10,432	10,432	6,000	3,000

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4		ACTUAL	BUDGET	BUDGET	BUDGET
50	Chaplaincy Grants	3,000	4,172	0	
51	U. of N. Iowa Program & Office	2,366	2,364	6,000	3,000
52	Youth Missioner - Salary	35,100	35,100	35,100	35,100
53	Youth Missioner - Pension	1,215	3,159	3,159	3,159
54	Youth Missioner - Travel	5,935	9,000	9,000	9,000
55	Youth Missioner - Medical/Life Ins.	6,591	7,291	6,900	22,785
56	Training Conferences, Workshop and Event Participation	11,069	10,000	10,000	10,000
57	Outdoor Ministries Program	2,747	6,000	6,000	6,000
58	Camp Development Group	0	1,000	1,000	
59	Diocesan Events for Young People	6,467	4,000	5,800	5,800
60	Youth to Youth Evangelism	1,358	1,000	1,000	
61	Scholarship for Youth Events	1,913	3,000	3,000	3,000
62	Iowa Religious Media Center	2,000	2,000	2,000	
63	Journey to Adulthood Sponsorship	2,200	2,600	2,600	2,600
64	Children at Worship License	0	2,000	2,000	
65	Chapter/Regional Workshops	(351)	1,000	1,000	1,000
66	Diocesan Christian Formation Forum	1,850	4,000	3,000	3,000
67	J2A Development/Event	1,848	1,500	1,500	1,500
68	J2A Diocesan Practical Training		0	0	
69	YMDT Publicity	72	1,000	1,000	1,000
70	Website/Media Development	1,711	1,000	1,500	1,500
71	Happening	0	600	600	600
72	Diocesan Convention Attendance	5,573	2,000	3,000	3,000
73	YMDT Operation & Travel	1,209	1,500	1,500	1,500
74	Sound System Maintenance	166	1,500	500	500
75	Youth Ministries Library	348	500	500	500
76	Resource Mailing Costs	12	250	250	250
77	Godly Play Development	300	1,500	1,500	1,500
78	New Beginnings			1,500	1,500
79	Nursery Care at Diocesan Events			1,500	1,500
80	EYE Designated Fund	2,000	2,000	2,000	2,000
81	Total - YMDT	<u>187,327</u>	<u>211,828</u>	<u>205,423</u>	<u>206,788</u>
82	Justice, Peace, & Integrity of Creation				
83	St. Paul's Indian Mission-Salary & Housing	49,575	49,575	49,575	49,575
84	Pension	8,924	8,924	8,924	8,924
85	Travel	1,182	1,500	1,500	1,500
86	Medical/Life Insurance	8,703	9,722	9,600	10,080
87	St. Paul's Operating Aid	5,800	5,800	5,800	5,800
88	St. Paul's Youth Education	3,000	3,000	3,000	3,000
89	St. Paul's Indian Health Project	6,000	6,000	6,000	6,000
90	Chemical Dependency Programming	1,483	1,043		
91	Ministry with Persons with AIDS	0	695		
92	Prison Ministry	5,500	4,520		
93	Rural Issues Advocacy (CCLP)	700	695		
94	Human Rights Advocacy	0	695		

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95	Restorative Justice Advocacy	1,000	1,391		
96	JPIC Operation & Travel	1,057	1,391		
97	Homeless Ministry	2,000	1,391		
98	Jubilee Officer Expenses	387	695		
99	Commission Block Grant			10,000	10,000
100	JPIC Budget Reduction			0	
101	Total - JPIC	<u>95,311</u>	<u>97,037</u>	<u>94,399</u>	<u>94,879</u>
102					
103	Stewardship				
104	Program Training, Development & Promotion	511	1,500	500	500
105	Stewardship Commission Operation & Travel	317	500	500	500
106	Total - Stewardship Commission	<u>828</u>	<u>2,000</u>	<u>1,000</u>	<u>1,000</u>
107					
108	Multicultural Commission				
109	Commission Travel		695		
110	Printing, Postage and Operational Expenses		695		
111	Commission Block Grant			1,000	1,000
112	Workshop Development and Support		834		
113	Total-Multicultural Commission	<u>0</u>	<u>2,224</u>	<u>1,000</u>	<u>1,000</u>
114					
115	Episcopate Function				
116	Bishop - Salary & Housing	106,077	102,877	102,877	102,877
117	Bishop - Pension	18,518	18,518	18,518	18,518
118	Bishop - Travel	23,045	20,000	16,000	18,000
119	Bishop - Medical/Life/Key Life Insurance	19,227	22,000	22,000	23,093
120	Executive Assistant to the Bishop - Salary	40,582	48,698	48,698	48,698
121	Executive Assistant to the Bishop - Pension	3,652	4,383	4,383	4,383
122	Executive Assistant to the Bishop - Medical/Life Ins.	19,227	21,239	21,700	22,785
123	Financial Officer - Salary	47,583	54,904	43,923	43,923
124	Financial Officer - Pension	4,283	4,941	3,953	3,953
125	Financial Officer - Travel	758	2,000	0	
126	Financial Officer - Medical/Life Insurance	19,227	21,239	21,700	22,785
127	Ministry Developer - Salary/Housing	26,800	32,500	0	
128	Ministry Developer - Pension	5,850	5,850	0	
129	Ministry Developer - Travel	3,559	5,000	0	
130	Ministry Developer - Medical/Life Ins.	4,659	4,861	0	
131	Operations Manager - Salary	42,423	42,423	45,000	45,000
132	Operations Manager - Pension	3,818	3,819	4,050	4,050
133	Operations Manager - Medical/Life Ins.	19,227	21,239	21,700	22,785
134	Ministry Development			15,150	5,000
135	Deacon Coordinator Expenses	337	1,500	0	
136	Council of Deacons	0	300	500	500
137	Training Conferences	618	1,500	1,000	2,000
138	Episcopate Election Reserve		10,000	0	
139	Bishop's Vestment/Supplies		250	0	

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140	Subtotal - Episcopate Function	<u>409,470</u>	<u>450,041</u>	<u>391,152</u>	<u>388,350</u>
141					
142	Administrative Function				
143	Diocesan Convention Expense	11,009	10,000	8,000	8,000
144	Printing - Journal & Report Booklet	5,185	5,500	5,500	5,500
145	Administrative Assistant - Salary	20,156	19,961	20,156	20,156
146	Cleaning Service	7,800	7,800	0	0
147	Episcopal Life Editor Salary & Benefits	15,099	15,183	15,183	15,183
148	Lay Pension	1,814	1,580	1,800	1,800
149	Office Expense	21,121	17,000	15,000	13,000
150	Telephone	5,304	6,500	5,500	5,500
151	Postage	4,620	4,500	4,500	4,500
152	Equipment Replacement & Repair	4,828	4,000	3,000	3,000
153	Payroll Tax	16,353	17,726	16,700	20,300
154	Audit Expense	15,076	14,000	15,000	15,000
155	Fidelity Bond & Insurance	17,461	19,568	23,000	18,576
156	Support Staff Medical/Life Insurance	615	650	600	600
157	Property Maintenance/Improvement	5,980	3,000	4,000	4,000
158	Mills House Repairs	183	6,000	13,500	12,500
159	Utilities	7,323	8,000	9,000	8,000
160	Subtotal - Administrative Function	<u>159,927</u>	<u>160,968</u>	<u>160,439</u>	<u>155,615</u>
161					
162	Designated Purpose Expense				
163	General Convention Expense	8,900	7,000	7,000	7,000
164	Provincial Synod Deputy Travel	2,189	2,000	2,000	2,000
165	Provincial Synod Assessment	4,500	4,500	4,500	4,500
166	Lambeth Conference Travel		1,000	1,000	1,000
167	Board/Task Force/Ad-Hoc Comm. Expense	4,515	4,000	2,000	2,000
168	Diocesan Altar Guild	133	500	500	500
169	Clergy Conference/Clergy Family	4,204	10,000	4,000	4,000
170	Health Reimbursement Allowance	1,350	5,000	2,500	0
171	Retired & Needy Clergy Insurance	39,517	34,000	48,000	28,000
172	Commission on Ministry	1,697	4,500	2,000	2,000
173	Subtotal - Designated Expenditures	<u>67,005</u>	<u>72,500</u>	<u>73,500</u>	<u>51,000</u>
174					
175	TOTAL DISBURSEMENTS	<u>1,164,248</u>	<u>1,238,484</u>	<u>1,162,787</u>	<u>1,136,196</u>
176					
177	RECEIPTS OVER(UNDER) DISBURSEMENTS	<u>(61,571)</u>	<u>0</u>	<u>(58,500)</u>	<u>0</u>

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Notes to 2011 Budget:

- 1) There is no cost of living adjustment added to salaries for 2011
- 2) A 5% medical insurance increase is budgeted for 2011
- 3) Line 6 Congregational Pledges for 2011 is best estimate based on 2011 asking and current giving
- 4) The pledge to The Episcopal Church for 2010 is carried over to 2011
- 5) Monthly subsidy for retired clergy is reduced from \$135 to \$85 in 2011. To be reduced to \$0 over 10 years.

6) 2011 Salary/Housing Schedule:

Line 33 - One 1/5 time position		15,000
Line 45 - One 1/2 time position at U of I	26,787	
Line 45 - One 19/40 time position at ISU	23,540	
Line 45 - One 1/4 time position at UNI	<u>12,394</u>	62,721
Line 52 - 3/4 of a full time position		35,100
Line 83 - One full time position		49,575
Line 116 - One full time position		102,877
Line 120 - One full time position		48,698
Line 123 - 4/5 time position		43,923
Line 131 - One full time position		45,000
Line 145 - One 1/2 time position		20,156
Line 147 - 1/4 of a full time position		<u>11,700</u>
		<u><u>434,750</u></u>