



15 August 2019

Beloved sisters and brothers in Christ,

It seems appropriate to anticipate 2020 as a year for perfect vision; and to grasp a clearer sight as to God's mission for us, and especially for us among our neighbors for the sake of God's love. It is an especially good year to look back and see more clearly, in hindsight, the way God has been directing us. That is one way of expressing this year's Convention theme of "Finding the Simple Way," which will ultimately consider the attached draft budget for 2020.

I am excited to outline some of what we can expect in the coming year. It is a year with four major points of mission interest at the Diocesan level. We will focus on small church vitality and gather an International Summit on the subject. Engaging All Disciples continues in 2020 through the ongoing coaching in ministry cohorts, and we maintain our emphasis on encouraging young adults in leadership and mission through hosting the Iowa stage of the Tri-Companion Pilgrimage for Young Adults in the fall. We will also launch, at Convention, details about a team training process for congregational development called Faithful Innovations, aimed at impacting medium size and larger congregations. 2020 will also be the first of many years in which grants from your generous donations to the Diocesan Campaign, GILEAD, will begin to roll out in response to your creative ministry and mission ideas.

Over all, the diocesan budget provides for the infrastructure of mission and ministry of the Diocese: the Episcopacy, Young Adults, Youth and Children, Congregational Transition and Life, Congregational Ministry Formation and Development, Administrative and Financial support. Stability at this regular level through your congregational participation in the common Stewardship Share helps us to be able to launch out and be bold and inspired in these new mission endeavors.

You will notice some additions to this year's budget from last year. These reflect the administration assistance required for the smooth administrating of GILEAD grants, as well as the receiving, acknowledging and tracking of GILEAD contributions. There is also a new item in the diocesan budget in assuming a portion of support for The Beloved Community Initiative, which up to now has been launched solely on grants provided by The Episcopal Church Genesis project.

It is an honor to present this budget for your consideration. It is our collective statement of commitment to God's work with us along the Way of Love. I believe that this is a year to celebrate how clearly God has been guiding and inspiring us these past few years, and to catch a more perfect vision of what can be done in God's precious Name. You are a generous, loving people for whom I give God thanks, and with whom it is a special privilege to serve.

In Christ's love and peace,

A handwritten signature in black ink, appearing to read 'Alan Scarfe', written in a cursive style.

The Rt. Rev. Alan Scarfe
Bishop

2020 Proposed Budget

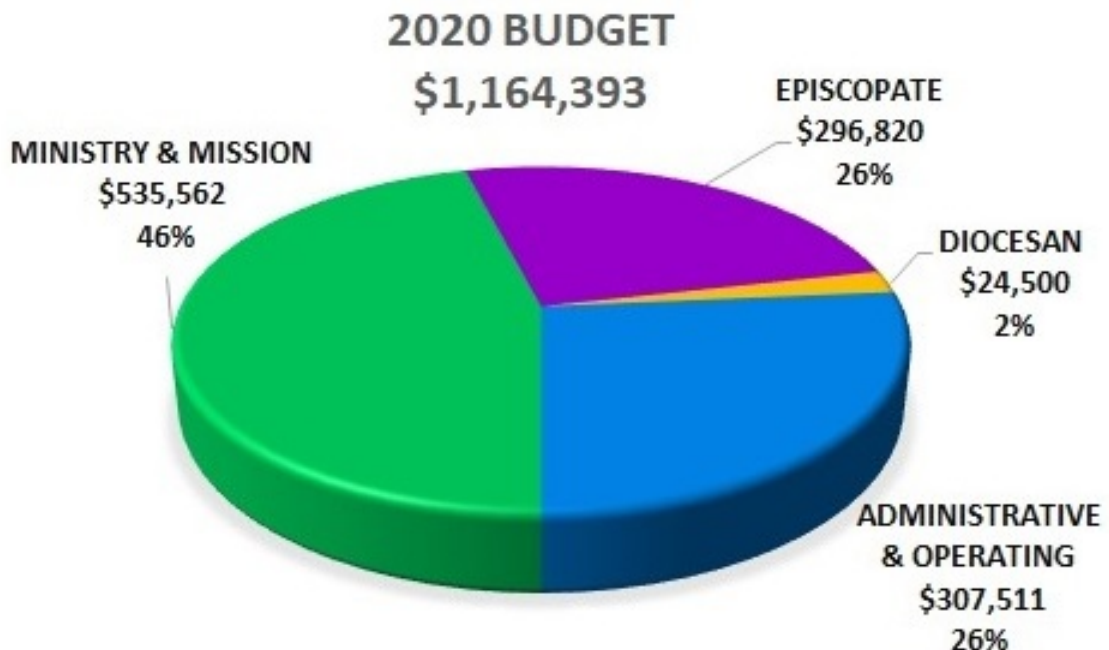
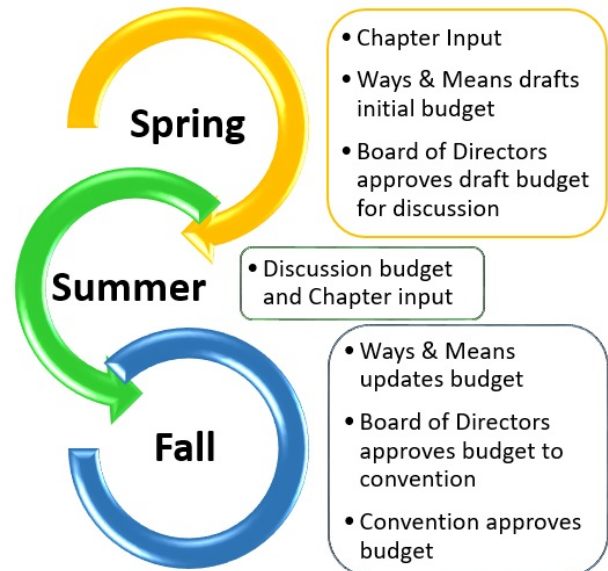
September 14, 2019

The Diocesan Budget is a statement of our hopes and plans for the coming year for our common ministry as the Episcopal Diocese of Iowa, “in mission with Christ through each and all.”

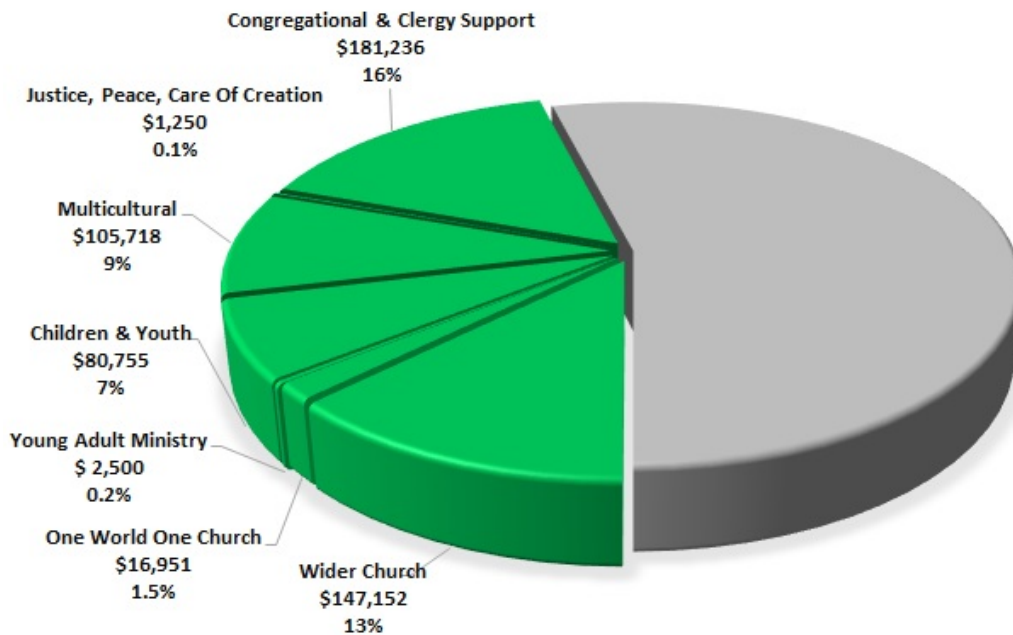
After considering input from Chapter meetings and reviewing the earlier draft budget, the Ways & Means Committee and the Board of Directors are presenting this proposed budget to delegates for approval at Diocesan Convention in October.

Changes from the previous draft budget include adjustments to health insurance costs from the estimated 6% increase to 5.8%, a slight increase in staff salaries to 1.2%, an adjustment to employer payroll tax, and a few additional tweaks to create a balanced budget.

Diocesan Budget Process

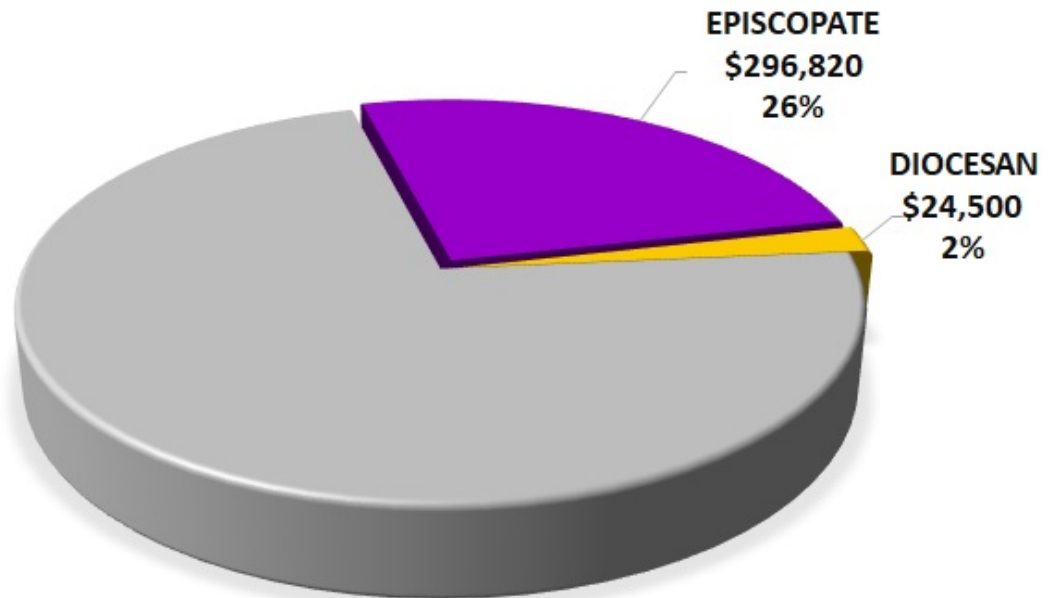


MINISTRY & MISSION

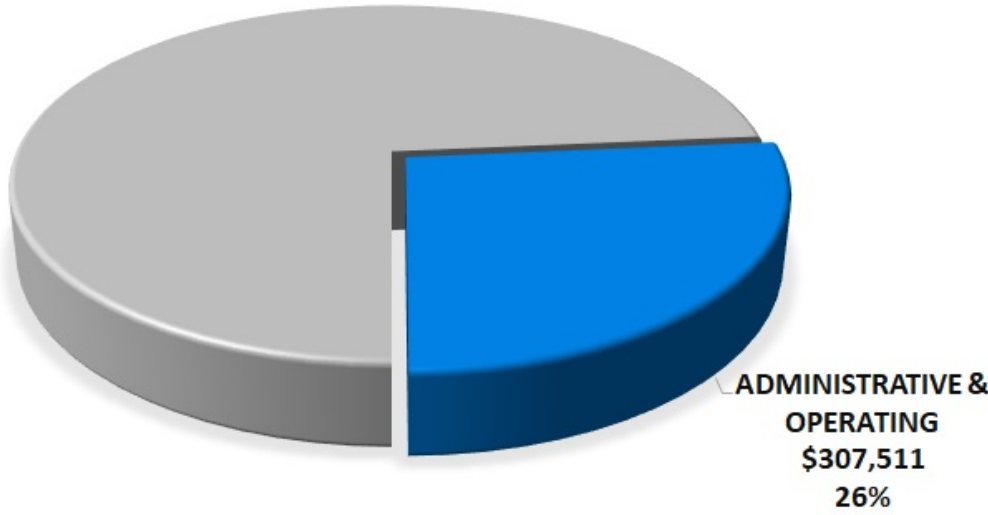


Ministry & Mission is the section of the budget that reflects many of the important ministries we do for our neighbors and ourselves. By combining our resources and efforts we are able to do some things better together than each can do alone.

We provide for our common ministry through the Episcopate. The Bishop is our chief, visible and spiritual link to each other, and gives us important links to the greater Episcopal Church, its traditions and its mission.



The Diocesan section of the budget provides for those things we must do as a Diocese. We must hold an annual convention and have Diocesan governing boards, commissions and committees that provide oversight and organization for our work together.

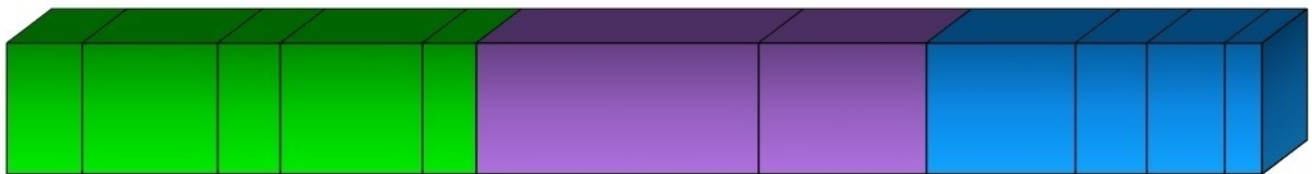


The final section of the operating budget provides the grease that makes much of our shared work possible. These expenses include financial and administrative personnel; office expenses; utilities and maintenance; the expense of an annual audit; and property and liability insurance.

Salaries and benefits for Diocesan personnel are listed in the sections of the budget that most closely relate to their job. This budget has a 1.2% cost of living increase for all salaries, except for the Bishop’s, whose salary is increased 5% to bring it closer in line with similar dioceses. The 2020 health insurance rates are an average 5.8% increase over 2019.

Personnel changes reflected in this budget include the Missioner for Transitions & Congregational Development, the Missioner for Administration, and the Financial Assistant. Since GILEAD is a large part of descriptions for both the Missioner for Administration and the Financial Assistant, 50% of these two positions will be funded in the budget, and 50% will be funded from GILEAD.

Personnel
\$712,290
61%



Ministry & Mission

- Youth Missioner (0.75 FTE) - \$43,205
- St. Paul’s Indian Mission (1 FTE) - \$77,718
- Missioner-Transitions/Cong Dev (0.5 FTE) - \$36,000
- Missioner-Communication/Reconciliation/ New Initiatives (1 FTE) - \$73,951
- Missioner-Administration (1 FTE) - \$31,085*

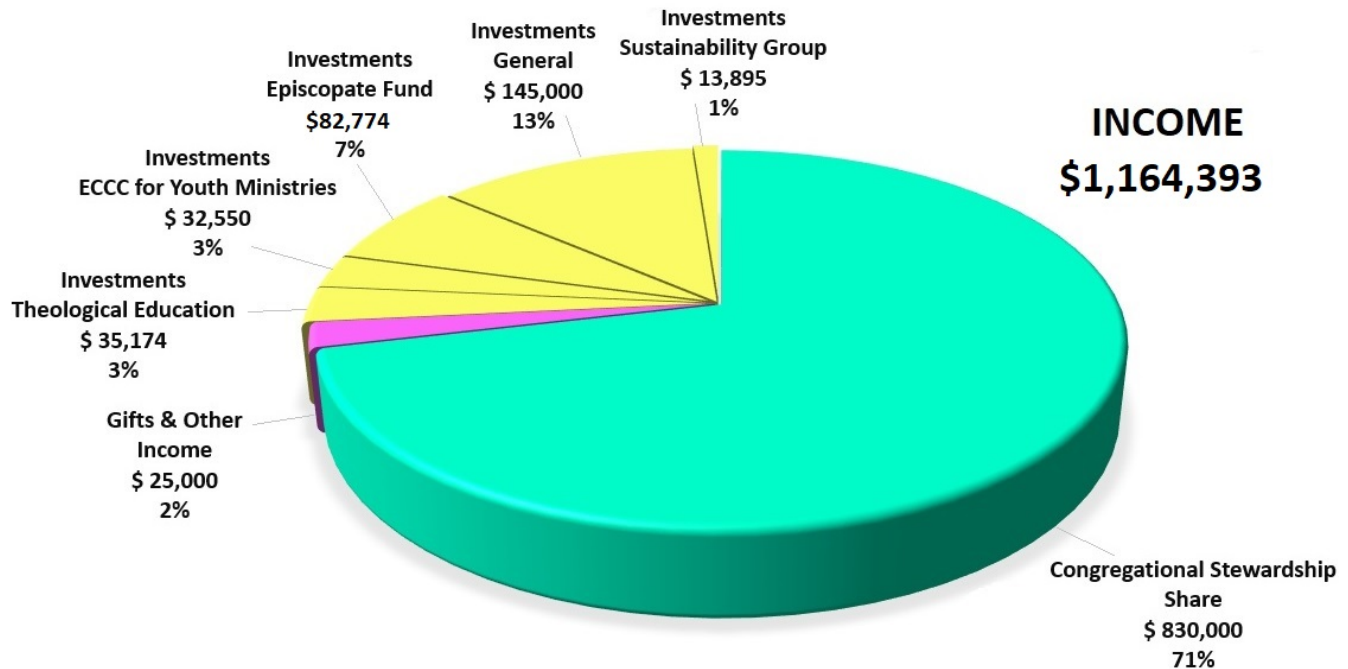
Episcopate

- Bishop (1 FTE) - \$162,381
- Exec. Asst. to the Bishop (1 FTE) - \$96,439

Administrative & Operating

- Comptroller (1 FTE) - \$81,990
- Operations Manager (0.5 FTE) - \$40,931
- Diocesan Assistant (0.6 FTE) - \$44,657
- Financial Assistant (0.75 FTE) - \$20,933*

*50% of position is funded from Budget and 50% is funded from GILEAD



The greatest portion of income is Stewardship Share support received from congregations (71%), followed by income from diocesan investments (27%). Gifts and other undesignated income make up the remaining 2% of this budget. Income from investments is drawn at 5%, with the exception of the Sustainability Group, which is a 2% draw.

A new [Diocesan Funding Policy and Stewardship Share Formula](#) effective for 2020 has been adopted by the Ways & Means Committee and approved by the Board of Directors. The annual Stewardship Share of each congregation shall be determined by the following formula:

1. Determine the Base Amount that is the lesser of either the previous year operating income, or the average of operating income of the previous three years, as reported in the annual parochial reports.
2. A deduction of \$35,000 is allowed for congregations supporting a full-time cleric. This deduction will be pro-rated for congregations that support a cleric less than full-time, with a minimum deduction of \$3,000 for congregations without stipendiary clergy.
3. The Stewardship Share shall be the Base Amount less the clergy deduction, multiplied by the applicable percent from the following table:

<u>Base Amount</u>	<u>Percent</u>
\$0-\$50,000	11%
\$50,000-\$100,000	13%
\$100,000-\$200,000	15%
\$200,000 & above	17%

Congregations making a commitment less than the full Stewardship Share shall make a written appeal to the Ways & Means Committee for a reduction in their Stewardship Share. The appeal should include an explanation and financial reports, and sent by mail to Ways & Means Committee, 225 37th Street,

Des Moines, IA 50312, or by email to diocese@iowaepiscopal.org. The Ways & Means Committee may request to meet with representatives of the congregations in considering the appeal.

Congregations that do not agree to their Stewardship Share, even after appeal, may not be eligible for grants, loans, or other special funding through the Diocese of Iowa.

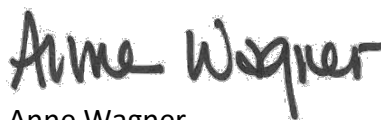
Ways & Means will review this formula at least every three years.

We believe this budget is an expression of our common ministry and challenges us to provide the resources that make this ministry possible. For questions or comments about the 2020 Proposed Budget, contact us at 515-277-6165 or diocese@iowaepiscopal.org.

In Christ,



William H. Smith, Jr.
Treasurer



Anne Wagner
Comptroller

EPISCOPAL DIOCESE OF IOWA
PROPOSED 2020 BUDGET TO CONVENTION

9/14/2019

	2020 PROPOSED BUDGET	2019 REVISED BUDGET	2019 APROVED BUDGET	2018 ACTUAL AUDITED
1 INCOME				
2 Congregational Stewardship Share	830,000	795,586	794,000	783,496
3 Multi-cultural/Racial Reconciliation Donations		7,500	7,500	
4 Gifts & Other Income	25,000	30,000	30,000	28,767
5 Theological Education Investment Income	35,174	33,000	33,000	32,133
6 ECCC Income for Youth Ministries	32,550	41,550	41,550	43,996
7 Episcopate Fund Investment Income	82,774	95,800	95,800	97,000
8 General Investment Income	145,000	147,000	147,000	135,620
9 Sustainability Group Investment Income	13,895	15,000	15,000	
10 TOTAL INCOME	<u>1,164,393</u>	<u>1,165,436</u>	<u>1,163,850</u>	<u>1,121,012</u>
11				
12 EXPENSES				
13 MINISTRY & MISSION				
14 WIDER CHURCH				
15 Pledge to Episcopal Church	145,652	148,575	147,000	153,457
16 Province VI Synod Assessment	1,500	1,500	1,500	1,500
17 TOTAL WIDER CHURCH	<u>147,152</u>	<u>150,075</u>	<u>148,500</u>	<u>154,957</u>
18				
19 ONE WORLD ONE CHURCH				
20 Ecumenical & Interfaith	1,500	1,500	1,500	1,000
21 Global Episcopal Mission Network	2,000	1,700	1,700	500
22 Episcopal Relief and Development Travel		600	600	0
23 Convention Exhibit Expenses	300	300	300	114
24 Swaziland Neighborhood Care Points	5,000	5,000	5,000	
25 Sustainable Development Goals - Mini-Grants	8,151	8,158	8,147	8,035
26 TOTAL ONE WORLD ONE CHURCH	<u>16,951</u>	<u>17,258</u>	<u>17,247</u>	<u>9,649</u>
27				
28 YOUNG ADULT MINISTRY				
29 Young Adult Missioner				
30 Salary, SS Offset & Housing		34,000	34,000	24,605
31 Pension		6,120	6,120	4,429
32 Health/Life Insurance		9,090	9,090	11,586
33 Travel/Conferences		3,000	3,000	2,892
34 Young Adult Ministry Development	2,500	2,500	2,500	2,483
35 TOTAL YOUNG ADULT MINISTRY	<u>2,500</u>	<u>54,710</u>	<u>54,710</u>	<u>45,996</u>
36				
37 CHILDREN & YOUTH MINISTRY				
38 Youth Missioner (0.75 FTE)				
39 Salary	39,422	39,000	39,000	43,456
40 Pension	3,548	3,510	3,510	3,641
41 Medical/Life Ins.	235	0	0	9,756
42 Travel/Conferences	3,000	4,000	4,000	5,306
43 Training Participation	3,000	5,000	5,000	1,095
44 Outdoor Ministries Program	13,000	13,000	13,000	13,711
45 Diocesan Events for Young People	2,000	2,000	2,000	4,769
46 Scholarship for Youth Events	4,500	4,500	4,500	4,600
47 Journey to Adulthood (J2A) Sponsorship		0	0	3,500
48 Publicity	200	200	200	(48)
49 Happening	2,000	2,500	2,500	2,082

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50	Diocesan Convention - Youth Delegates	2,500	2,500	2,500	2,238
51	General Convention Reserve	2,000	2,000	2,000	2,040
52	Operation & Travel	1,500	1,500	1,500	1,764
53	Youth Ministries Library	150	150	150	22
54	Godly Play Development	200	200	200	0
55	New Beginnings	1,500	2,000	2,000	915
56	Episcopal Youth Event (EYE) Reserve	2,000	2,000	2,000	2,000
57	<i>Subtotal Youth Program (46-62)</i>	37,550			
58	TOTAL CHILDREN & YOUTH	80,755	84,060	84,060	100,849
59					
60	MULTICULTURAL				
61	St. Paul's Indian Mission (1 FTE)				
62	Salary & Housing	56,802	56,195	56,195	54,558
63	Pension	10,224	10,115	10,115	9,820
64	Health/Life Insurance	10,692	10,104	10,104	9,756
65	Travel/Conferences	3,000	3,000	3,000	4,545
66	St. Paul's Indian Mission Operating Aid	10,000	10,000	10,000	10,000
67	Racial Reconciliation	15,000	8,000	8,000	1,000
68	TOTAL MULTICULTURAL	105,718	97,414	97,414	89,679
69					
70	JUSTICE, PEACE, CARE OF CREATION				
71	Creation Stewards	500	1,000	1,000	
72	Faith in Action	500	1,000	1,000	
73	Chemical Dependency Program	250	310	310	0
74	TOTAL JUSTICE, PEACE, CARE OF CREATION	1,250	2,310	2,310	0
75					
76	CONGREGATIONAL & CLERGY SUPPORT				
77	Missioner-Congregational Development/Transitions (0.5 FTE)				
78	Salary	36,000	34,000	34,000	31,120
79	Pension	0	6,120	6,120	5,602
80	Health Insurance	0	9,090	9,090	8,758
81	Travel/Conferences	6,000	6,000	6,000	4,244
82	Missioner-Communication Reconciliation, New Initiatives (1 FTE)				
83	Salary	62,670	62,000	62,000	39,333
84	Pension	11,281	11,160	11,160	6,930
85	Travel/Conferences	7,500	6,000	6,000	5,922
86	Missioner-Administration (1 FTE with GILEAD covering 50%)				
87	Salary	28,303			
88	Pension	2,547			
89	Health/Life Insurance	235			
90	Travel/Conferences	3,000			
91	Communication Expenses	6,000	6,000	6,000	5,285
92	Collaborative Ministry Partnerships	3,000	4,000	4,000	3,000
93	Summer Ministry School & Retreat	2,500	2,500	2,500	1,173
94	Nursery Care at Diocesan Events	4,000	4,000	4,000	3,212
95	Iowa Religious Media Services		2,000	2,000	2,000
96	Older Adult Ministry Development Team	1,000	1,000	1,000	267
97	Stewardship	1,000	1,500	1,500	0
98	Diocesan Altar Guild	200	200	200	184

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99 Council of Deacons	500	500	500	500
100 Clergy Conference/Clergy Family	4,500	4,500	4,500	4,000
101 New Clergy Development	1,000	1,000	1,000	623
102 TOTAL CONGREGATIONAL & CLERGY SUPPORT	181,236	161,570	161,570	122,153
103 TOTAL MINISTRY & MISSION	535,562	567,397	565,811	523,283
104				
105 EPISCOPATE				
106 Bishop (1 FTE)				
107 Salary & Housing	123,900	118,000	118,000	118,217
108 Pension	22,302	21,239	21,239	20,703
109 Health/Life Insurance	16,179	8,540	8,540	8,299
110 Travel/Conferences	25,000	28,000	28,000	25,038
111 Executive Assistant to the Bishop (1 FTE)				
112 Salary	60,477	59,830	59,830	58,091
113 Pension	5,443	5,385	5,385	5,228
114 Health/Life Insurance	30,519	28,628	28,628	27,275
115 Staff Travel/Conferences/Continuing Education	1,500	1,500	1,500	1,636
116 Commission on Ministry	4,000	4,000	4,000	3,655
117 Lambeth Conference Travel Reserve	2,500	2,500	2,500	1,000
118 Episcopate Election Reserve	5,000	6,000	6,000	10,000
119 TOTAL EPISCOPATE	296,820	283,622	283,622	279,142
120				
121 DIOCESAN				
122 Diocesan Convention Expense	9,000	10,000	10,000	8,033
123 Publishing Journal & Report Booklet	2,000	2,000	2,000	2,000
124 General Convention Deputy Travel Reserve	10,000	10,000	10,000	9,204
125 Board/Task Force/Ad-Hoc Committee Expense	3,500	3,500	3,500	3,200
126 TOTAL DIOCESAN	24,500	25,500	25,500	22,436
127				
128 ADMINISTRATIVE & OPERATING				
129 Comptroller (1 FTE)				
130 Salary	60,477	59,830	59,830	58,091
131 Pension	5,443	5,385	5,385	5,228
132 Health/Life Insurance	16,070	18,415	18,415	17,751
133 Travel/Conferences	3,000	3,500	3,500	3,164
134 Operations Manager (0.5 FTE)				
135 Salary	28,077	27,777	27,777	26,971
136 Pension	5,054	5,000	5,000	4,855
137 Health/Life Insurance	7,800	7,492	7,492	7,295
138 Diocesan Assistant (0.6 FTE)				
139 Salary	23,095	22,848	22,848	22,183
140 Pension	2,079	2,055	2,055	1,996
141 Health/Life Insurance	19,483	18,415	18,415	10,745
142 Financial Assistant (0.75 FTE with GILEAD covering 50%)				
143 Salary	14,192			
144 Pension	1,277			
145 Health/Life Insurance	5,464			
146 Employer Payroll Tax	17,000	13,200	13,200	12,677
147 Office Expense	38,000	40,000	40,000	36,463

EPISCOPAL DIOCESE OF IOWA
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9/14/2019

	2020 PROPOSED BUDGET	2019 REVISED BUDGET	2019 APROVED BUDGET	2018 ACTUAL AUDITED
148 Diocesan House Maintenance and Utilities	25,000	25,000	25,000	24,000
149 Audit Expense	18,000	18,000	18,000	16,779
150 Property/Casualty/Liability Insurance	18,000	22,000	22,000	16,577
151 TOTAL ADMINISTRATIVE & OPERATING	307,511	288,917	288,917	264,775
152 TOTAL EXPENSES	1,164,393	1,165,436	1,163,850	1,089,635
153				
154 RECEIPTS OVER(UNDER) EXPENSES	0	0	0	31,377