

# The Episcopal Diocese of Hawai`i

## 2011 - 2013 Draft Budget



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## TABLE OF CONTENTS

<b>TOTAL INCOME .....</b>	<b>4</b>
<b>TOTAL EXPENDITURES.....</b>	<b>7</b>
<b>DISCIPLESHP.....</b>	<b>8</b>
<b>MISSION .....</b>	<b>10</b>
<b>CONGREGATIONAL SUPPORT .....</b>	<b>10</b>
<b>NATION &amp; WORLD .....</b>	<b>11</b>
<b>OTHER COMMISSIONS &amp; MINISTRIES .....</b>	<b>12</b>
<b>STEWARDSHIP .....</b>	<b>14</b>
<b>OTHER SUPPORT .....</b>	<b>14</b>
<b>COMMUNICATIONS .....</b>	<b>15</b>
<b>DIOCESAN SUPPORT EXPENSES .....</b>	<b>16</b>
<b>RETIREEES.....</b>	<b>18</b>
<b>OFFICE OF THE BISHOP.....</b>	<b>20</b>
<b>EPISCOPATE .....</b>	<b>20</b>
<b>STAFF.....</b>	<b>21</b>

## TOTAL INCOME

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Income</b>					
Assessments	1,669,364	1,718,535	1,706,062	1,706,000	1,740,000
Investments:					
Portfolio (Restricted)	228,598	246,100	255,100	262,300	272,600
Portfolio (Unrestricted)	1,856	1,900	2,000	2,100	2,100
Von Holt Fund (Unrestricted)	-	40,000	40,000	100,000	102,000
Ing Fund (Unrestricted)	65,017	80,000	75,700	77,400	79,200
Catton Fund (Restricted)	17,787	22,400	26,500	27,000	27,600
Parke Trust (Unrestricted)	64,289	38,000	38,800	39,500	40,300
Prisanlee Fund (Unrestricted)	20,530	18,000	18,400	18,700	19,100
Valvon Fund (Unrestricted)	28,990	20,000	20,400	20,800	21,200
Total Investments	<u>427,066</u>	<u>466,400</u>	<u>476,900</u>	<u>547,800</u>	<u>564,100</u>
Rentals:					
Apartments	56,052	56,900	60,500	65,400	67,400
Parking	83,900	87,300	88,100	90,800	93,500
Total Rentals	<u>139,952</u>	<u>144,200</u>	<u>148,600</u>	<u>156,200</u>	<u>160,900</u>
Interest	505	1,000	1,000	1,000	1,100
Chronicle Donations (Board Designated)	995	3,100	3,100	3,100	3,200
Miscellaneous	7,776	8,000	8,200	8,400	8,600
Emergency & Opportunities Resv. Fd	-	-	30,000	30,000	-
<b>Total Income</b>	<u><u>2,245,658</u></u>	<u><u>2,341,235</u></u>	<u><u>2,373,862</u></u>	<u><u>2,452,500</u></u>	<u><u>2,477,900</u></u>

## Description of Income & Explanation of Significant Variances

### Assessments

The proposed assessment for the 2011 to 2013 budget is 20% and is based on each congregation's 2009 to 2011 operating income. Historically, the total assessment is shown below:

YEAR	ASSESSMENT PERCENTAGE
<b>1991 to 1994</b>	<b>23%</b>
1995	26%
1996 to 2000	25%
2001	24%
2002- 2003	23%
2004-2005	22%
2006-2008	21%
<b>2009 to 2013</b>	<b>20%</b>

### Investment Income

Income from the Portfolio (Unrestricted) and the Ing Fund represent a 5% total return distribution. The diocese endowment spending policy is five percent of its endowment fund's average market value over the prior twelve quarters. Income from the Portfolio (Restricted) is primarily from the Episcopate Endowment Fund. The distribution is limited to the expenses related to the Office of the Bishop- Episcopate. We are able to take a distribution from the Von Holt Fund, because this fund is no longer under water. The diocese is the beneficiary of the investment income from the Catton Fund, Parke Trust, Prisanlee Fund and Valvon Fund. We do not have investment management oversight of these funds. Income from some of the trust funds is down due to the funds not recovering from the economic meltdown. The Catton Fund income is restricted by the donor for retired church workers. All investment income is net of investment fees (management and custodial fees).

### Rentals: Apartments

This is the rental income from the Diocesan-owned apartments at Queen Emma Square.

### Rentals: Parking

This income is from the Priory's rental of parking spaces in the parking lot behind the Diocesan offices.

### Interest

This represents the interest on Diocesan cash accounts.

### Chronicle Donations

This represents income to support the publication of the CHRONICLE.

### Miscellaneous

This represents miscellaneous gifts and other income.

### Emergency & Opportunities Reserve Fund

This represents funds transferred from the Emergency and Opportunities Reserve Fund. The balance of this reserve fund as of 6/30/10 is \$100,762. Council has allocated \$30,000 for each year 2011 and 2012 from this reserve fund to subsidize the Camp Mokule`ia line item on the budget. See Discipleship budget on page 8.

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## TOTAL EXPENDITURES

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Expenses</b>					
<b>Discipleship</b>					
Program Costs	174,609	204,782	211,638	201,638	211,300
Sub-Total	<u>174,609</u>	<u>204,782</u>	<u>211,638</u>	<u>201,638</u>	<u>211,300</u>
<b>Mission</b>					
Congregational Support	507,934	482,294	474,909	486,063	485,666
Nation & World	369,300	375,800	339,000	339,900	348,400
Other Commissions & Ministries	51,290	66,720	76,700	73,300	73,900
Sub-Total	<u>928,523</u>	<u>924,814</u>	<u>890,609</u>	<u>899,263</u>	<u>907,966</u>
<b>Stewardship</b>					
Other Support	20,700	20,700	20,700	20,700	20,700
Communications & Technology	15,407	12,500	14,000	14,500	24,300
Diocesan Support Expenses	306,331	384,339	393,900	448,900	417,900
Retirees	17,787	22,400	26,500	27,000	27,600
Office of the Bishop					
Episcopate	300,385	318,700	331,315	340,799	353,434
Staff	465,178	453,000	485,200	499,700	514,700
Sub-Total	<u>1,125,788</u>	<u>1,211,639</u>	<u>1,271,615</u>	<u>1,351,599</u>	<u>1,358,634</u>
Total Expenses	<u>2,228,920</u>	<u>2,341,235</u>	<u>2,373,862</u>	<u>2,452,500</u>	<u>2,477,900</u>
<b>Surplus</b>	<u>16,738</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

## DISCIPLESHIP

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
Camps & Conference Commission	39,514	45,500	43,507	47,975	53,000
Camp Mokule`ia Inc		34,110	50,000	50,000	-
Christian Formation	92,315	50,600	45,679	25,000	60,000
Commission on Native Hawaiian Ministries	9,780	9,000	13,796	8,550	15,000
Diversity Commission	2,080	2,088	4,709	6,800	6,800
Ministry Development	28,115	42,300	37,939	42,000	56,500
New Ministries/Projects	-	6,734	-	1,313	-
Sexual Misconduct Prevention / Response	2,804	7,950	6,591	8,000	8,000
Stewardship Commission	-	6,500	9,417	12,000	12,000
<b>Total Discipleship</b>	<b>174,609</b>	<b>204,782</b>	<b>211,638</b>	<b>201,638</b>	<b>211,300</b>

## **DISCIPLESHIP**

### Camps & Conference Commission

The Camps and Conferences Commission envisions programs for youth and young adults in the Diocese to be viable, thriving, spiritually refreshing, resourceful, cost-effective, and - most importantly - God centered. Encouraging new models by programming on different neighbor islands, the Commission develops and supports Diocesan events, activities, and programs that will:

1. Supplement the ministry to youth and young adults of congregations and local ministries
2. Introduce individuals to Christ
3. Take those already in the Body to greater depth and substance of our faith
4. Cultivate an extended Christian community to be within the Diocese for youth and young adults.

The Commission is responsible for annual youth activities including:

1. "God Camp" (a residential summer camp program)
2. Happening (high school students)
3. New Beginnings (junior high school students)

The Commission is also responsible for soliciting applications and then selecting participants for the triennial Episcopal Youth Event (2011).

The commission can also assist individuals or churches in enhancing spiritual growth through workshops and/or conferences, the Commission's budget includes some funding for individuals who want to go to conferences and/or workshops.

### Camps Mokuleia Inc

This budget line item is to support the position of an Executive Director of Camp Mokuleia. The recommendation for financial support for the Executive Director's position comes out of The Transition Action Team's 2009 recommendations for sustained leadership, vision and oversight of the operation. Besides the \$34,110 in the 2010 budget, Diocesan Council also raised \$15,890 for the Executive Directors position.

## DISCIPLESHIP

(Continued)

### Christian Formation

This line item includes funds for supporting the national program of Education for Ministry and the costs of developing and holding the Convocation, an annual diocesan gathering for the purposes of formation and mission called for by the 2007 annual meeting of the diocese. The amount listed allows for funding the costs of speaker(s), Neighbor Island airfare, and some scholarship funds for Convocation attendance. The reduction for 2012 reflects that the Convocation that year will be replaced by the celebration of the diocese's 150th anniversary. The budget for these expenses is included under diocesan convention.

### Commission on Native Hawaiian Ministries (CONHM)

This line item funds the Commission created in 1990 to train leaders of native Hawaiian ancestry and to be a focus for opportunities to minister to communities of Hawaiians in all congregations. CONHM works to bridge the gap between the native Hawaiian language and culture and the dominant Western language and culture to facilitate the acceptance, understanding, and proper implementation of the former. In addition, through meetings, conferences, shared ministries and other exchanges with the Anglican Indigenous Network (AIN), the Executive Council Committee on Indigenous Ministries (ECCIM), and the Indigenous Theological Training Institute (ITTI), this Commission maintains close contact with other indigenous peoples and their faith communities throughout the United States and other parts of the world. CONHM also offers various opportunities for education and mission.

### Diversity Commission

Based on our Baptismal Covenant "Loving our neighbors as ourselves and respecting the dignity of every human being," this commission seeks to create dialogue on racism, to facilitate respect for diversity and to promote healing, reconciliation and transformation in our members and institutions. This commission has been reconstituted after a period of inactivity due to lack of membership. This line item funds training, communication and resource development for the commission members, congregations and individuals. This training is required by National Church Canons.

### Ministry Development

This line item funds conferences and gatherings for clergy and their spouses/partners/families; financial support for seminarians and others in formation for ordained ministry; deacon's gatherings; the work of the Commission on Ministry; background checks for candidates for positions in mission congregations or on the Bishop's staff; expenses of training for licensed ministries; and other miscellaneous funds for the formation of ministry throughout the Diocese. These funds are administered by the Bishop's staff and by committees/task forces specially appointed by the Bishop for a particular activity or ministry. The work related to Commission on Ministry is required by National Canons

### New Ministries/Projects

This line item was added to provide the Department with funds to respond to emergencies and opportunities. Also, this will also enable us to plan for more focused, strategic use of resources by Task Forces and congregations for evangelism and education.

### Sexual Misconduct/Prevention Response

This line item funds classes for the identification and prevention of sexual misconduct, as well as the costs incurred by the trainers. It includes, in some years, the costs of training kits or fees for "training the trainers" sessions. Training in preventing sexual misconduct against both children and adults is required by national canons. This training is required by General Convention resolutions and Diocesan policy.

### Stewardship Commission

The Stewardship Commission has developed itself into a body whose responsibility is to develop and engage the diocese in a greater understanding of Stewardship. Moreover the Stewardship Commission is a diocesan resource available for congregational consultation. The Stewardship Commission also participates in the wider stewardship discussion by participating in TENS, Alban Institute and other forums.

# MISSION

## CONGREGATIONAL SUPPORT

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Congregational Support</b>					
Christ Memorial, Kilauea	6,000	-	-	-	-
Grace, Molokai	50,793	46,521	48,814	52,900	46,521
Holy Innocents, Lahaina	6,500	-	-	-	-
St. Augustine's, Kohala	4,000	-	-	-	-
St. George's, Pearl Harbor	30,000	63,000	57,000	62,000	25,000
St. Jude's, Ocean View	17,000	16,000	16,700	16,700	16,700
St. Matthew's, Waimanalo	3,500	-	-	-	-
St. Philip's, Maili	36,000	37,000	38,000	37,400	37,400
St. Stephen's, Wahiawa	28,726	25,000	25,100	23,300	25,900
Trinity By-the-Sea, Kihei	29,000	11,300	-	-	-
West Kauai	40,000	36,200	37,000	41,000	46,000
<b>Sub -Total Congregational Support</b>	<b>251,519</b>	<b>235,021</b>	<b>222,614</b>	<b>233,300</b>	<b>197,521</b>
<b>Other Support</b>					
Pacific Islander Youth Ministry	67,614	78,800	84,700	87,900	93,300
St. Nicholas, Kapolei-Church Plant	170,000	154,500	144,000	140,000	140,000
Emergencies & Opportunities	18,800	13,973	23,595	24,863	54,845
<b>Total Congregational Support</b>	<b>507,934</b>	<b>482,294</b>	<b>474,909</b>	<b>486,063</b>	<b>485,666</b>

## CONGREGATIONAL SUPPORT

### Individual Congregation Line Items

These line items financially support congregations (missions and parishes) to meet the necessities of congregational life. The requests are reviewed with the annual evaluations, strategic plans, parochial reports, and investment portfolios, recent financial statements, minutes of Bishop's Committee, Vestry meetings, of the applying congregations. The Congregational Health & Growth Commission's recommendations regarding funding are based upon the congregation's ministries, evidence of movement toward self-sufficiency through stewardship, evangelism and other efforts, proposals to undertake innovative ministries based on the awareness of the Diocese Strategic Plan and local priorities, in addition to the ability of the congregation to fund these ministries.

### Pacific Islander Youth Ministry

The intent of this ministry is to provide and facilitate activities and services for the targeted group consistent with meeting the goals of the Diocesan Strategic Plan. The targeted group is the Pacific Islanders' youth and their families who have not had the privileges of engaging in activities due to financial and social reasons. This ministry will attempt to meet the needs of this targeted group by arranging services to include feeding, educational, recreational and social activities, pastoral visitations and church services.

### Emergencies & Opportunities

This line item provides funds to develop opportunities for new ministry or to cope with emergencies. It is available to congregations that have called new clergy whose salary packages are difficult to project, to help when congregations have had sudden or unpredictable changes in finances, leadership, or in the condition of their facilities. Any assistance granted to the congregation is considered a one-time, nonrenewable grant made during the current year. Any additional request for diocesan support must be made as a Resource Request to the diocese and be part of the congregation's annual budget in the coming year. Funding for the Internet Evangelism Pilot Project passed at the 2009 Convention is included in this line item. The prior year carry over balance @6/30/10 is \$100,762. Council has allocated \$30,000 for each year 2011 and 2012 from this reserve fund to subsidize the Camp Mokule`ia line item on the budget. See Discipleship budget on page 8.

## NATION & WORLD

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Nation &amp; World</b>					
General Convention Deputy Support	-	16,700	16,700	16,700	16,900
National Church Quota	354,600	349,100	307,300	313,200	316,200
Provincial Quota	14,700	10,000	10,000	10,000	10,300
Provincial Synod Delegate Support	-	-	5,000	-	5,000
<b>Total Nation &amp; World</b>	<b>369,300</b>	<b>375,800</b>	<b>339,000</b>	<b>339,900</b>	<b>348,400</b>

## NATION & WORLD

### General Convention Deputy Support

Funds are accumulated over three years annually and held in reserve to support the eight deputies and two alternates from our Diocese to attend the General Convention. The 2012 General Convention will be held in Indianapolis, Indiana.

### National Church Quota

This is the assessment we pay to the national church to contribute toward its work and ministry. It is based on Diocesan income, which includes parochial giving, unrestricted operating investment income and restricted investment income used to pay operating expenses for the respective years. The National Church asking, after deducting a \$120,000 exemption from Diocesan income, is computed at a flat rate of 21% for 2010. The rate drops to 20% in 2011 and to 19% in 2012 and 2013. The 2010 assessment is based on 2008 diocesan income. The 2011 to 2013 assessment is based on the 2009 to 2011 diocesan income respectively.

### Provincial Quota

Hawaii is part of Province VIII of the Episcopal Church, and this is the amount we pay to help with Provincial programs and administration.

### Provincial Synod Delegate Support

Allocation supports the expenses for two delegates to attend the annual Synod meeting. No funding for 2009 and 2012 because General Convention is scheduled. We will not be sending anyone to Synod 2010 due to budget cuts.

## OTHER COMMISSIONS & MINISTRIES

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Other Commissions &amp; Ministries</b>					
Congregational Health & Growth Commission	19,253	21,800	22,800	16,200	15,000
Ecumenical/Inter Faith Relationships	-	500	500	500	500
Emerging Generations	17,037	29,620	38,600	41,100	41,100
Mission Ministries(local/global outreach)	15,000	14,800	14,800	15,500	17,300
<b>Total Other Commissions &amp; Ministries</b>	<b>51,290</b>	<b>66,720</b>	<b>76,700</b>	<b>73,300</b>	<b>73,900</b>

## OTHER COMMISSIONS & MINISTRIES

### Congregational Health & Growth Commission

This line item funds expenses for expert consultation in Hawai'i and attendance at local and national training events. To help build vital and vibrant multicultural congregations, the commission's support will include, but not be limited to, promotion of planning cycles for congregations of an appropriate length, follow up to conferences, site visits by commission members and other diocesan resource persons, and other church development education. The commission hopes to help equip individuals and congregations to live their baptismal covenant through spreading the Good News of Jesus Christ, especially by encouraging ministries to ethnic groups in their communities that may be underrepresented in their congregations.

### Ecumenical/Inter Faith Relationships

This line item funds ecumenical and interfaith activities in Hawaii. The Department plans to have a presence beginning in 2008 in several of the ecumenical/interfaith conversations and activities after 2 years of little participation. This line item provides funds for participation and assistance as part of the groups. This commission has committed to work without direct Diocesan funding through 2012.

### Mission Ministries

Mission Ministries, formerly a commission of the Justice, Peace, & Partnerships Department, now under Mission Department, funds projects and ministries. Mission Ministries advocates for the marginalized, voiceless, dispossessed, needy, oppressed, or imprisoned, through partnerships within the diocese, the larger Anglican Communion, and with other faith and secular organizations; local, national, and global. Millennium Development Goals (MDG) mandated at the annual convention in 2006, commits 0.7% of the Episcopal Diocese of Hawaii's annual budget to community and international development programs. Those monies, formerly allocated to ER&D (Episcopal Relief and Development) as a vehicle for Global funding, is now our source for local ministry. Money left at the end of the fiscal year is sent to ER&D.

## OTHER COMMISSIONS & MINISTRIES

(Continued)

### Emerging Generations Mission

The Emerging Generations Mission seeks to encourage, empower, and equip congregations and local ministries to introduce and reach new and emerging generations with the Good News of Jesus.

New and Emerging Generations refers to those age groups and generational cohorts with diminishing presence in the church, specifically the ages groups associated are: children (up through elementary school), junior high (grades 6-8), high school (grades 9-12), university students (after high school graduation), and young adults (after undergraduate university graduation).

Our mission goals include:

1. Development of diocesan training for leadership in ministry with new generations
2. Support for ministry to university aged young adults through the MacCray Center.
3. Support and development of further alternative worship within diocese
4. Support the development of a ministry network for ministry with younger generations through social networking and resource database development
5. Support local ministry development through grant distribution to congregations and local for new ministry development.

In May of 2010, the EG Team met to assess the previous year's activity and to discuss current goals and the potential to shift the focus of the EG commission to a broader spectrum.

The Emerging Generations Mission Team has accomplished these action items as of the Summer 2010:

- Provided funding for the continued facility use of the MacCray Center as a space dedicated first and foremost to ministry with university students and young adults of that age group. The Manoa Campus Mission has partnered with and been subsidized by St. Peter's, Honolulu, and seeks additional congregation partners. The Campus Mission offers weekly Bible studies, fellowship, outreach activities, seasonal worship, and participation in campus community events. The space has been available for use by other entities with priority given to those associated with ministry to new generations and young adults.
- Compiled & began the dissemination of information and resources for congregations and congregational leaders to use in developing local ministries with new generations, as well as resources for alternative worship patterns.
- Approved grant requests from Church of the Epiphany and St. Clement's Church for a youth/young adult training conference to be held July 31st at Epiphany Church.
- Approved travel expenses for Jar Pasalo, and Annalise Castro to be sent to "People of Color" conference held at Sewanee Seminary during the month of June.

For the remainder of the year 2010, the Emerging Generations Mission Team will:

- Offer application for grants up to a maximum \$1500 each to local ministries for the development of alternative worship patterns or the development of new ministries with new generations. Monies will be one time only, cannot pay salaries or subsidize one-time events, and require the entity to plan for future funding and support to include participation in the New Generations Ministry College.

In the year 2011, the proposed budget allocation will be directed towards the following:

MacCray Center Facility Maintenance	\$19,500
MacCray Center Mission to Manoa Programming	\$ 2,500
Ministry Grants	\$10,000
Networking Initiatives	\$ 2,600
Ministry Resources	\$ 1,000
Training Initiatives & Resources	\$ 3,000

## STEWARDSHIP

### OTHER SUPPORT

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>Other Support</b>					
St. George's Lease Rent	20,700	20,700	20,700	20,700	20,700
<b>Total Other Support</b>	<b>20,700</b>	<b>20,700</b>	<b>20,700</b>	<b>20,700</b>	<b>20,700</b>

### OTHER SUPPORT

#### St. George's Lease Rent

The current lease with the Navy ends on August 31, 2010 ("Holdover status thereafter pending sale'). The Navy has declared the land "in excess", which means they don't need it and intend to sell it. There are various entities, including the Episcopal Church, working together resulting in legislation as follows:

1. Gives leaseholders (Including the diocese) the right of first refusal to purchase
2. Six months to exercise first right of refusal
3. If purchase is intended, two years to close
4. Purchase at "Fair market value"

## COMMUNICATIONS

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
Hawaiian Church Chronicle	15,407	12,500	14,000	14,500	24,300
<b>Total Communications &amp; Technology</b>	<b>15,407</b>	<b>12,500</b>	<b>14,000</b>	<b>14,500</b>	<b>24,300</b>

## COMMUNICATIONS

This budget encompasses areas of communications within the Diocese: the *Hawaiian Church Chronicle* diocesan newspaper; public relations/brochures, flyers, etc., as needed.

### Hawaiian Church Chronicle

The Hawaiian Church Chronicle has been a "wrap" on the Episcopal Church newspaper, which has been going through some changes lately. We have chosen to be a wrap on *Episcopal News Monthly*, which is published monthly. However, in order to reduce the budget in 2008, we chose to publish the Chronicle only four times a year and not to send the Episcopal News Monthly to our mailing list in the months in which we do not publish the Chronicle; to send the newspaper monthly would essentially double the budget, or more. We also have the option of moving to a quarterly magazine, with inserts from the *Episcopal News Quarterly* (a synopsis of news for the quarter); this option would cost about \$20,000 per year. Therefore, because of the need to keep the budget level, we have chosen the route of publishing the Chronicle as a tabloid four times a year as a wrap on Episcopal News Monthly and not sending the denominational publication to our mailing list when we do not publish a Chronicle issue.

## DIOCESAN SUPPORT EXPENSES

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
Advertising	5,867	6,100	6,300	6,600	6,900
Archives	1,159	1,600	3,600	3,600	3,600
Audit Expenses	26,304	67,500	65,800	67,100	68,500
Cathedral Expenses	90,300	92,100	93,900	95,800	97,700
Chancellor's Expenses	2,568	3,300	3,400	3,500	3,600
Diocesan Convention	12,814	6,000	6,000	49,600	9,700
Directors & Officers Insurance	7,133	7,100	8,400	8,800	9,000
Legal & related expenses	1,713	10,000	10,000	10,000	10,000
Meetings: Other	2,005	5,100	5,300	5,500	5,500
Meetings: Travel	20,973	30,000	31,200	32,400	33,700
Office Expenses	59,210	63,000	63,900	66,000	67,500
Planned Giving	10,110	10,839	11,200	12,300	12,300
Property Maintenance	37,155	49,000	51,300	53,100	54,000
Property Taxes	12,899	13,800	14,300	14,900	15,500
Security	9,600	9,600	9,600	9,600	10,000
Staff Travel & Related Expense	6,318	8,100	8,400	8,800	9,100
Treasurers' Consultations	204	1,200	1,300	1,300	1,300
<b>Total Diocesan Support Expenses</b>	<b>306,331</b>	<b>384,339</b>	<b>393,900</b>	<b>448,900</b>	<b>417,900</b>

## DIOCESAN SUPPORT EXPENSES

### Advertising

This covers the cost of advertising in the phone books and in the military information booklets.

### Archives

This covers the cost to maintain the archives for the Diocese of Hawaii.

### Audit Expenses

Each year, as required by the Canons, a certified public accounting firm audits the diocesan financial records and prepares a report. The budget provides funding for the treasurer's office to enable missions and aided parishes (20 in total) to comply with the canonical requirements for an annual audit. There is \$40,000 carried over to do the 2008 audit in 2009.

### Cathedral Maintenance

The Diocese pays a portion of the Cathedral's maintenance budget because of the presence of Diocesan offices in their facilities and the Diocesan use of the buildings for meetings. In this way, the Diocese as a whole helps support the Cathedral of our Diocese.

### Chancellor's Expenses

The Chancellor of the diocese uses this allocation for participation in the Western Chancellors' Conference, a computer research service and certain publications for the legal assistance given to the Diocese and its congregations and institutions.

### Diocesan Convention

This covers the unreimbursed cost of holding the annual Diocesan Convention including area meeting costs, convention meeting costs, supplies, materials and postage. This cost is net of registration fees/meals and shared travel cost. The 2012 budget includes the cost to celebrate the diocese's 150th anniversary.

## DIOCESAN SUPPORT EXPENSES

(Continued)

### Directors & Officers Insurance

This is liability (errors & omissions) insurance to insure The Episcopal Church in Hawaii, its directors and officers. The insurance premium is based on our claims experiences and market conditions.

### Legal & Related Expenses

This represents legal and related costs incurred by the diocese. Unexpended legal expenses up to \$5,000 will be set aside as a reserve to cover potential legal expenses relating to charges brought against a priest under the new Title IV disciplinary Canons. If legal expenses are fully expended then the funds will be set aside from end of the year budget surplus.

### Meeting Costs: Other

These funds are for incidental costs for groups that meet for an entire day.

### Meeting Costs: Travel

This represents travel costs for the neighbor-island members of Standing Committee, Diocesan Council, Commission of Ministry, Compensation Review Committee, Cathedral Chapter and clergy meeting with the Bishop.

### Office Expenses

This amount includes telephone, copying costs, equipment maintenance, computer help, subscriptions, postage, equipment purchase, supplies, etc. The budget also includes the cost of software and computer upgrades and staff training.

### Planned Giving

Priorities include visiting congregations to increase planned giving and gift planning, developing a program of education and support for congregations and working with the Episcopal Foundation on marketing, training and gift planning. In 2010 the diocese had its first legacy society event. Next year's event will be on 7/9/2011.

### Property Maintenance

This represents the maintenance of the apartments owned by the Diocese and includes utilities and repairs of the Cluett apartments and Office of the Bishop, Insurance (property, liability, & auto) and General Excise Tax.

### Property Taxes

The Diocese pays the property taxes on the parking lot and apartments that we rent.

### Security

This covers the cost of maintaining security for the Queen Emma Square. We are subsidizing a portion of the total cost of security which amounts to \$18,847.

### Staff Travel and Related Expenses

As part of their ministries, members of the Bishop's staff travel to all islands in the state and to the mainland for meetings, consultations and church related programs.

### Treasurers' Consultations

This represents travel costs for the new treasurers from all our congregations to meet with the Diocesan Treasurer on matters relating to their duties and responsibilities.

## RETIREES

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
Medigap Program	17,787	22,400	26,500	27,000	27,600
Total Retirees	17,787	22,400	26,500	27,000	27,600

## RETIREES

### Medi-gap Program

The Diocese subsidizes a portion of the Medi-gap insurance benefits to eligible retired clergy and their spouses.

**OTHER THAN THIS SENTENCE,  
NO TEXT IS INTENDED TO APPEAR ON THIS PAGE**

## OFFICE OF THE BISHOP

### EPISCOPATE

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>BISHOP</b>					
<b>Compensation and Benefits of the Bishop and his Secretary</b>	271,678	275,100	286,215	295,699	305,534
Other					
General Convention Travel	-	4,100	4,100	4,100	4,100
Hospitality	10,050	13,200	13,700	14,400	15,000
Keyman Insurance	691	700	700	700	700
Travel & Continuing Education	17,238	24,500	25,500	24,700	26,800
Worker's Compensation Insurance	727	1,100	1,100	1,200	1,300
<b>Total Episcopate</b>	<b>300,385</b>	<b>318,700</b>	<b>331,315</b>	<b>340,799</b>	<b>353,434</b>

### EPISCOPATE

#### Bishop

This constitutes the compensation and benefits received by our Diocesan Bishop. The costs for the Episcopate, (excluding the Bishops Secretary) are fully funded by the Episcopate Endowment fund.

#### Election Process Fund

This fund was established to accumulate monies for electing a new bishop. We did not use the Election Process Funds to pay for the election of the Bishop as the 2006 operating income was adequate to cover the cost of the election. No annual allocation is needed for future budgets as the current Election Process Fund balance of \$137,431 will be sufficient to cover our next Bishop election.

#### General Convention Travel

This represents the annual allocations for the travel and meeting costs for the Bishop to attend the General Convention.

#### Travel & Continuing Education

This includes inter-island travel (parish visitations, deanery & clericus meetings, search & vestry consultations, & other meetings), mainland travel (House of Bishops' meetings), spousal travel, continuing education and other unanticipated travel.

#### Lambeth Fund

This Fund was established to cover the cost of Lambeth. The current fund balance is \$9,911. No annual allocation is needed as it will be funded from the Episcopate Endowment Fund.

## STAFF

	2009 ACTUAL	2010 BUDGET	2011 COUNCIL DRAFT	2012 COUNCIL DRAFT	2013 COUNCIL DRAFT
<b>(Including Pension &amp; other Benefits)</b>	465,178	453,000	485,200	499,700	514,700
Bookkeeper	X	X	X	X	X
Canon for Ministry Development	X	X	X	X	X
Communications & Technical Officer	X				
Events Coordinator/ Office Manager	X	X	X	X	X
Treasurer/Finance Officer	X	X	X	X	X
Staff Continuing Education					
Staff Support costs					
<b>Total Staff</b>	465,178	453,000	485,200	499,700	514,700

**X= STAFFING FOR YEARS ABOVE**

## STAFF

This represents the compensation and benefits of all of the members of the Diocesan Staff, excluding the Bishop and his Secretary, which is included under the Office of the Bishop-Episcopate. There was no salary increase in 2010. The 2011 budget reflects a 3% increase.

The Office of the Bishop staffing has been reduced by the Canon Administrator, Program Officer, the Youth & Young Adult Coordinator, Planned Giving Officer and Communication & Technology Officer over the past few years. Some of the positions were full time and some part time, but the duties have been taken up by existing staff in the office and by volunteers.