

Diocese of Eau Claire



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Diocese of Eau Claire Inc

2022 Budget Executive Summary

2022 INCOME (\$252,000 for 2022 vs. \$256,800 for 2021)

Apportionment (\$126,000). A \$4,800 decrease. Apportionments are calculated by diocesan policy as “10% of the lesser of (last year’s Operating Revenue or the average of the last three years’ Operating Revenue)”. Operating Revenue is the amount in Box A on page 4 of the 2020 Parochial Report.

This formula was applied to the 12 congregations (Bayfield, Chippewa Falls Christ Church, Chippewa Falls St Simeon’s, Clear Lake, Eau Claire, Hayward, Hudson, La Crosse, Menomonie, Phillips, Sparta, and Tomah) that submitted 2020 Parochial Reports.

Before applying this formula to the 7 congregations that did not submit a 2020 Parochial Report, 2020 Operating Revenue was assumed to be the same as 2019’s.

Endowment Income (\$126,000). A \$4,800 increase from 2021 thanks to a generally improving stock market during 2021. Total Return management strategy continues with not more than 5% of the diocese’s \$3.61 million Endowment taken as income.

Note that half the diocese’s 2022 Operating Revenue will be provided by Endowment Income.

Apportionment Arrearages (\$0). Unchanged from 2021.

2022 EXPENSES (\$234,700 for 2022 vs. \$267,000 for 2021)

Episcopate (\$68,400). A \$27,600 decrease from 2021. Actual expenses when the Bishop Provisional was resident in the diocese were considerably less than budgeted. The 2022 Budget projects next years’ expenses based on this years’ experience. Eau Claire’s Salary, Housing, Health Insurance, Pension, Sabbatical, and Lambeth expenses are one-third of the amount budgeted by Fond du Lac.

Half-Time Diocesan Administrator (\$35,500). A \$700 increase (2.0%) from 2021.

Help Diocesan Clergy (\$37,500). A \$13,200 decrease from 2021. Heather Kirby died in March, The Reverend Canon Sampson Rogers, III, died in July, and Donna Vierbicher died in October. All were beneficiaries of Eau Claire’s Retiree Medical Insurance Plan. Fewer clergy are also expected to be eligible for the Clergy Car Fund which accounts for the remainder of the decrease in this budget.

Help Other Ministries (\$19,800). A \$2,500 increase from 2021. This increase is due to a rise in the amount Eau Claire is asked to donate to the national church’s budget.

Help Diocesan Ministries (\$27,200). Unchanged from 2021. Camp Horstick, General Convention, Diocesan Convention, Family Retreat, and Episcopal Youth Event remain fully funded as in years past.

Office Expenses (\$25,300). A \$500 increase from 2021 due to an increase in insurance premiums.

Trust Point Inc Management Fee (\$18,000). A \$4,800 increase from 2021. Management fees increase in rising markets like the current one.

2022 SURPLUS: \$17,300 (\$252,000 Income - \$234,700 Expenses)

Should a deficit materialize in 2022, the diocese will have \$50,000 in Unrestricted Carryover Surpluses from earlier years that can be used to fund it.

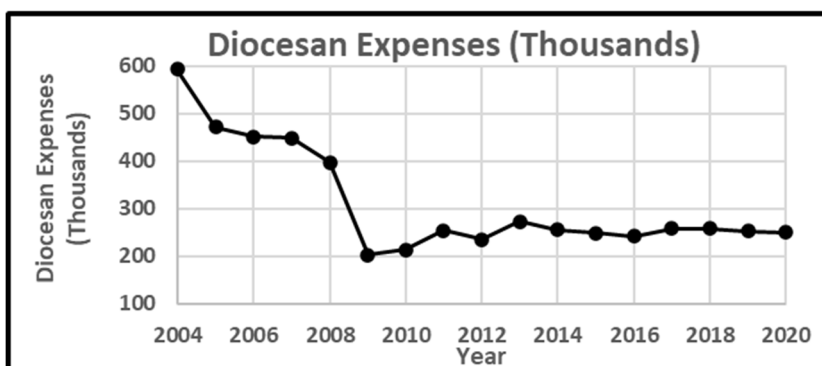
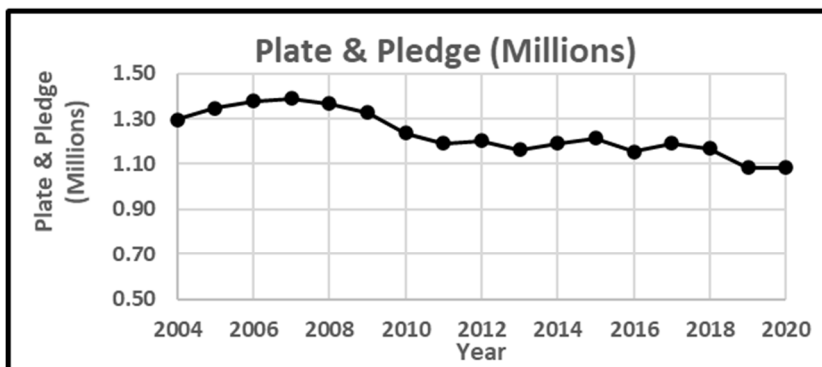
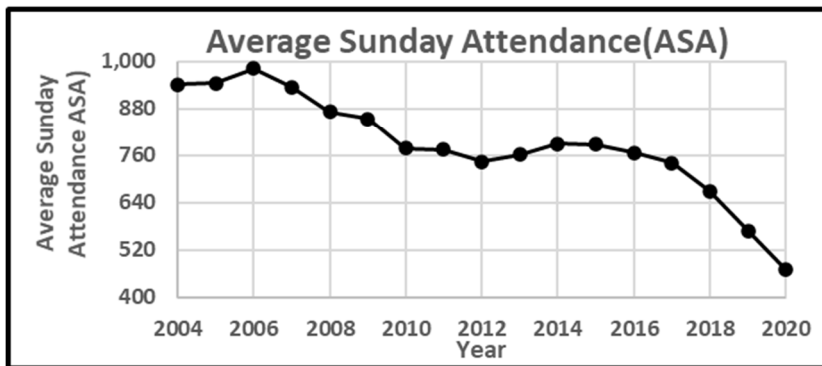
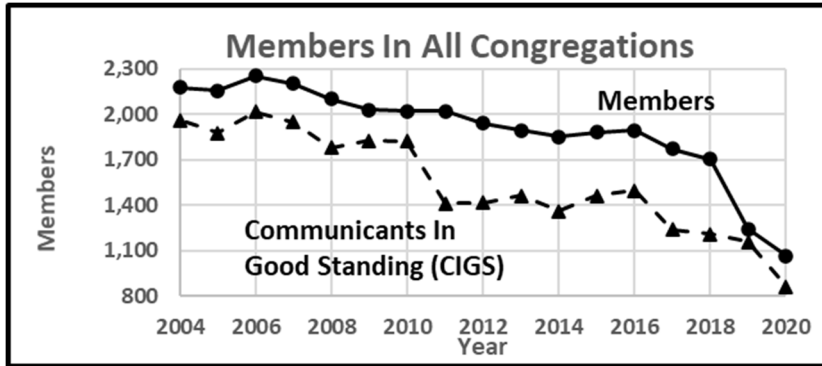


Bob Weathers, Treasurer
Diocese of Eau Claire, Inc.
For the Executive Council

Diocese of Eau Claire Inc

2020 Parochial Report Summary

(Membership, ASA, P&P, Diocesan Expenses)



Since only 12 (Bayfield, Chippewa Falls CC, Chippewa Falls SS, Clear Lake, Eau Claire, Hayward, Hudson, La Crosse, Menomonie, Phillips, Sparta, and Tomah) of the diocese’s 19 congregations submitted a Parochial Report, reports for 2019 from the missing congregations were extrapolated to 2020 to generate the charts to the left.

Membership, CIGS (members who contribute financially) and ASA continue their decline. While “Membership” is a “soft” number, CIGS and ASA are better indicators of the diocese’s size. Visitors are frequently added to Membership Lists and remain there for years even though they never integrate into the church’s ministry. This causes overstating the size of the congregation. By contrast, Treasurers know who is supporting the church financially and clergy keep accurate track of church attendance, making both CIGS and ASA more reliable measures of who we are.

While the data clearly shows that there are fewer of us, **Plate & Pledge** has held relatively steady since 2014. And, despite COVID, P&P was unchanged at \$1.08 million from 2019 to 2020! This means those of us who remain increased our giving enough to offset losses due to deaths, transfers out, and COVID fatigue.

Diocesan Leadership continues proactively managing **Diocesan Expenses**, holding them steady at about \$260,000 for the last seven years.

Diocese of Eau Claire Inc

2022 Budget Narrative (Continued)

Comments On Diocesan Finances 2008 To 2021. In the few years immediately after Bishop Whitmore's 2008 resignation, the Diocesan Budget was very volatile, fluctuating between large surpluses and large deficits. This volatility resulted as the diocese transitioned from a full-time bishop to being without to an Interim and finally to a Permanent Part-Time Bishop. At the same time, the diocese changed from 22% Apportionment to 15% and finally to the current 10%. Since arriving at this "new normal" of 10% Apportionment with a Part-Time Bishop or Bishop Provisional, the volatility in the Diocesan Budget has disappeared. Leadership of Bishop Lambert, the Trustees, Executive Council, and Standing Committee were instrumental in stabilizing the diocese.

2022 Budget Income. Apportionment is kept at 10% for 2022. As compared to 15%, this represents \$70,000 being invested directly in the mission and ministry of congregations in the diocese. And as compared to 22% Apportionment, it's a \$170,000 investment. This approach (e.g. a 10% Apportionment rather than 15% or 22%) implements the strategy that the priest-in-charge and lay leadership of a congregation are best able to decide how to use this money to positively impact their local ministry and grow their congregation. Congregations are free to use Apportionment Reduction Dollars to relieve pressure on their own budget, expand their congregation's ministry, and/or fund Outreach in their local community and beyond.

In 2018 and 2019, the Cathedral struggled to pay full Apportionment due to an unusually high number of deaths and parishioners moving away from Eau Claire. They fell behind by \$15,000 in 2018 and a similar amount in 2019. The people of the Cathedral committed themselves to paying off this arrearage and achieved that goal in short order. Past arrearages have been paid in full and the Cathedral remains current in 2021.

The 2022 Budget assumes there will be no Apportionment Arrearages at 2021 year-end and that all congregations will pay their full apportionment in 2022.

While Endowment Income has benefited recently from a strong Bull Market, it appears this phenomenon may have run its course and a return to more modest stock market growth is likely.

A realistic projection for 2022 is income of \$252,000 (\$126,000 Apportionment, \$126,000 Endowment Income). The Endowment Income budget includes a provision for a significant 2022 market correction should that occur. Shrinkage of Plate & Pledge (causing congregations to underpay Apportionment) combined with a downturn in the stock market could easily lead to a decline in receipts of \$15 to \$20 thousand or even more. Nonetheless, recent fiscal management strategies of diocesan leadership have positioned the diocese so all ministries can continue uninterrupted for 12 to 18 months even if such an unfortunate set of circumstances develops.

Diocese of Eau Claire Inc

2022 Budget Narrative (Continued)

2022 Budget Expenses. We are in the second year of a 2-year contract with the Diocese of Fond du Lac. Under this agreement, Eau Claire pays a fee to Fond du Lac for one-third release time for their bishop so he can serve as our Bishop Provisional. Fond du Lac applies these fees to offset one-third of their bishop’s pay package. While resident in Eau Claire, the Bishop Provisional’s expenses are paid by us under an IRS approved Accountable Plan. Payments to Fond du Lac are budgeted at \$58,302 for 2022 and will be \$57,136 in 2021.

Pages 5 through 12 discuss the 2022 Budget by major functional classification. Headings are arranged as “**Parent Account (2022 Budget vs. 2021 Budget)**”. Page 12 is a summary of the 2022 Budget compared to actual performance since 2017 as well as the change In Fund Balances from year-end 2020 to September 30, 2021. Pages 13 to 15 show a line-by-line listing of the 2022 Budget compared to actual performance since 2017.

Administration of Diocesan Endowment Fund. The Diocesan Endowment Fund is invested at Trust Point Inc (TPI) and has a Market Value of \$3.61 million. Funds are managed to comply with **UPMIFA** (the **Uniform Prudent Management of Institutional Funds Act**), the law in Wisconsin since 2009. In the absence of donor restrictions to the contrary (e.g., “principal and income can be used ...” for example), **UPMIFA** requires charitable organizations to “maintain the purchasing power” of endowments. Its predecessor (**UMIFA** or the **Uniform Management of Institutional Funds Act**) required only the dollar amount of the original endowment (the ‘corpus’) be preserved. This was a major change in how endowments are to be managed.

Diocese of Eau Claire Equivalent Annual Return	
Trust Point	To 09/30/2021
7.9%	10 Yrs 9 Mos
8.7%	9 Yrs 9 Mos
8.2%	8 Yrs 9 Mos
7.2%	7 Yrs 9 Mos
7.7%	6 Yrs 9 Mos

Here’s how the diocese does it. Trust Point manages the diocesan portfolio on a **Total Return** basis with a Target Return of 7 percent over a normal business cycle of 7 to 10 years, a goal TPI consistently meets or exceeds. Each year, about 4% of the market value is taken as income while another roughly 0.6% pays Trust Point’s management fee. These distributions are at the high end of what professional not-for-profit portfolio managers suggest (3 to 5 percent). Returns above these amounts are reinvested as a hedge against inflation.

Interest, dividends, capital gains, and expenses are allocated to each fund based on what percent that fund is of the total portfolio’s market value. For example, if Fund A is 10% of the Endowment Fund, 10% of any capital gain or loss would be allocated to Fund A, 10% of management fees would be allocated to Fund A, and so on. This approach insures the “purchasing power” of endowments are preserved in the absence of any donor restriction to the contrary.

This approach requires the fiscal discipline to take as income less than 5% annually (and preferably a bit less than that). The temptation to withdraw excessive amounts is greatest during Bull Runs. But the gains during Bull Markets are needed to offset the inevitable Bear Market that always follows.

Diocese of Eau Claire Inc
2022 Budget Narrative (Continued)

Episcopate (\$68,400 vs. \$96,000)

Expenses of the one-third time Bishop Provisional were much lower than budgeted in 2021.

Account	For the Year Ended December 31 st					
	2022 Budget	2021 Projected	2021 Budget	2020 Actual	2019 Actual	2018 Actual
6000000 · Episcopate						
6010000 · Salary	33,756	33,240	33,240	35,750	38,250	37,700
6020000 · Housing	8,004	8,000	8,000	5,600	16,800	16,800
6030000 · Health Insurance	8,232	7,722	7,700	1,353	1,236	1,236
6040000 · Pension	7,560	7,423	7,400	-	-	-
6050000 · Accountable Plan						
6051000 · Lodging	5,046	2,057	16,110	3,575	-	-
6052000 · Mileage	2,652	1,165	9,600	3,820	7,141	5,820
6053000 · Pastoral Care	1,200	27	6,600	2,200	7,697	5,179
6054000 · Per Diem Meals & IE	1,200	797	6,600	-	-	-
6055000 · Cell Phone Allowance	-	-	-	825	900	900
Total 6050000 · Accountable Plan	10,098	4,048	38,910	10,420	15,738	11,899
6060000 · Reserves for Future Expenses						
6061000 · Sabbatical	500	500	500	-	-	-
6062000 · Lambeth Travel	250	250	250	1,300	1,200	2,065
6063000 · Election Of Next Bishop of EC	-	-	-	13,000	12,000	12,000
Total 6060000 · Reserves for Future Expenses	750	750	750	14,300	13,200	14,065
6070000 · Extra-Diocesan Meetings						
6071000 · HOB Spring Meeting	-	-	-	195	1,147	1,863
6072000 · HOB Fall Meeting	-	-	-	-	3,035	-
6072500 · General Convention	-	-	-	-	-	5,236
6073000 · Province V Meeting	-	-	-	480	130	1,434
6074000 · WI Council of Churches Meeting	-	-	-	-	273	-
6075000 · Extra-Diocesan Travel TBD	-	-	-	-	2,992	-
Total 6070000 · Extra-Diocesan Meetings	-	-	-	675	7,577	8,533
Total 6000000 · Episcopate	68,400	61,183	96,000	68,098	92,801	90,233

1. ***Bishop Provisional Fee to FdL.*** \$58,302 annually (\$4,859 per month) will be paid to Fond du Lac for one-third release time so that Bishop Gunter can continue as Eau Claire’s Bishop Provisional. Fond du Lac will use these payments to offset one-third of Bishop Gunter’s annual salary, housing, pension, medical insurance, vacation, continuing education, sabbatical, attendance at extra-diocesan meetings (House of Bishops, General Convention, Lambeth, Province V, WI Council of Churches, etc.), and other expenses. Fond du Lac is budgeting a 1.5% pay increase for Bsp Gunter and they administer his pay package.
2. ***Accountable Plan.*** Eau Claire established an IRS approved Accountable Plan to pay Bsp Gunter’s expenses while he is resident in the diocese and serving as our Bishop Provisional. These expenses are budgeted at \$10,098 for 2022.
 - a. ***Lodging & Housing (\$5,046).*** The Diocese of Eau Claire provides Bsp Gunter suitable lodging when he is resident in or traveling around the diocese.
 - b. ***Mileage (\$2,652).*** Bsp Gunter is reimbursed for mileage driven while Bishop Provisional at the prevailing IRS business rate (currently 57½ cents per mile). Mileage accrues from the time he leaves his home until he returns.

Diocese of Eau Claire Inc

2022 Budget Narrative (Continued)

- c. ***Pastoral Care (\$1,200)***. Pastoral care expenses are paid by Eau Claire. A few examples of these expenses are help for the needy, fellowship with Leadership Council or other diocesan groups after a meeting, fellowship with a congregation during annual visits, hosting visitors to the diocese, gifts, and memorials inside and outside the diocese. Funds are not used for personal expenses.
 - d. ***Per Diem Meals & IE (\$1,200)***. The IRS allows Per Diem Meals and Incidental Expenses (excluding mileage) to be paid at the rate of \$55 per day.
3. **Episcopate Expenses In 2020 and Earlier**. These expenses are enumerated in the table on page 5. These costs are included in the \$58,302 annual payment to Fond du Lac. They have been zeroed out in Eau Claire's budget.
4. **Bishop's Discretionary Fund**. A checking account has been established and designated as the Bishop's Discretionary Fund. Gifts earmarked by donors for this purpose will be deposited to that account. In addition, \$210 will be deposited to that account each month. The \$210 is the combined income from the Esther Keith Memorial Fund and the S Coleman Endowment. Donors established these endowments decades ago and directed income from each fund be regularly disbursed to the Bishop's Discretionary Fund.

Diocese of Eau Claire Inc 2022 Budget Narrative (Continued)

Half-Time Diocesan Administrator's Pay (\$35,500 vs. \$34,800)

The Diocesan Administrator's salary is increased \$700 (2.0%) for 2022.

Although the position of Diocesan Administrator has been staffed by both clergy and lay employees over the years, the pay package has historically been administered as a lay employee. In 2017, at the incumbent's request, the position was reclassified as a clergy position. Also, at the incumbent's request, medical and dental insurance allowances are paid directly to him rather than paying premiums to an insurer on his behalf. CPG (Church Pension Group) and IRS Guidelines are followed in administering the Diocesan Administrator's Pay Package.

Account	For the Year Ended December 31 st					
	2022 Budget	2021 Projected	2021 Budget	2020 Actual	2019 Actual	2018 Actual
6100000 · Dioc Administrator (Part-Time)						
6110000 · Paid To Administrator						
6111000 · Total Assessable Comp (TAC)						
6111100 · Salary	13,848	13,572	13,572	12,168	12,168	12,168
6111200 · Housing	7,752	7,596	7,596	7,212	7,212	7,212
6111300 · SECA [7.65% X (TAC-SECA)]	1,656	1,620	1,620	1,620	1,620	1,620
Total 6111000 · Total Assessable Comp (TAC)	23,256	22,788	22,788	21,000	21,000	21,000
6112000 · Medical Insurance Allowances						
6112100 · Medical Ins Prem Allwnc	4,992	4,896	4,896	4,896	4,896	4,896
6112200 · Medical Ins Allwnc SECA Offset	1,092	1,068	1,068	1,068	1,068	1,068
6112300 · Medical Ins Allwnc Tax Offset	1,080	1,056	1,056	1,056	1,056	1,056
Total 6112000 · Medical Insurance Allowances	7,164	7,020	7,020	7,020	7,020	7,020
6113000 · Dental Insurance Allowances						
6113100 · Dental Insurance Prem Allwnc	648	636	636	636	636	636
6113200 · Dental Insurance SECA Offset	144	144	144	144	144	144
6113300 · Dental Insurance Tax Offset	120	120	120	120	120	120
Total 6113000 · Dental Insurance Allowances	912	900	900	900	900	900
Total 6110000 · Paid To Administrator	31,332	30,708	30,708	28,920	28,920	28,920
6120000 · Pension (18% TAC)	4,168	4,102	4,092	3,672	3,672	3,672
Total 6100000 · Dioc Administrator (Part-Time)	35,500	34,810	34,800	32,592	32,592	32,592

Diocese of Eau Claire Inc

2022 Budget Narrative (Continued)

Help Diocesan Clergy (\$37,500 vs. \$50,700)

1. **Retired Clergy Life and Health Insurance.** This is a grandfathered obligation. Anyone serving the Diocese prior to the end of 1993 gets supplemental insurance paid by the diocese. This includes spouses. Here is the benefit:

You turn 65 and get Medicare. Church Pension Denominational Health Plan provides Comprehensive Health Coverage. The Diocesan Retired Clergy funding moves Supplemental Coverage to Platinum Coverage. Biggest part of this is no co-pays for those covered.

Four clergy and three clergy spouses receive this benefit. They are:

Life Insurance	Medical Insurance	
Kirby, Scott	Brown, Alice	Stamm, George (Retiree+1)
Wantland, William	Gardner, Bruce	Usher, Evelyn
	Kirby, Scott	Wantland, William

Individual Life Insurance premiums are budgeted at \$200 annually. Medical Insurance premiums for each clergy and clergy spouse are \$2,460 annually. This budget will be adjusted, if necessary, after 2022 premiums are published in late 2021.

2. **Clergy Retreats & Renewal.** \$6,000 is budgeted for Diocesan Clergy Retreats & Renewal Activities.
3. **Clergy Car Fund Reserve.** \$6,600 is budgeted for the Clergy Car Fund. \$100 is set aside every six months (January and July 1st) for qualifying clergy (17 priests and 16 deacons). Eligibility is determined by the bishop. Funds can be withdrawn on request to the Diocesan Treasurer. Money can be used for unreimbursed car expenses incurred in support of the clergy's ministry. Clergy expected to be eligible in 2022 are:

Clergy Eligible For Clergy Car Fund As Determined By The Bishop

Parochial Priests			Supply Priests
Augustine, Peter	Farr, Meghan	Stamm, George	Charles, Kathy
Bauer, Dave	Kuschel, Catherine	Thomas, Benjamin	Kirby, Scott
Broughton, Jackie	Radant, Bill	Usher, Guy	Michaud, Ellie
Burns, Steven	Scheff, Tanya	Zook, Aaron	Morgan, Phil
Carter, Charles	Sola, Geri		
Assigned Deacons			Unassigned Deacons
Glasser, Jo	McDaniel, Irene	Russell, Steven	Gumulauskas, Mike
Hogue, Marlene	Power, Bill	Ruthy, Rose	
Lorenze, Jim	Rezin, Mary	Scheff, Joe	
Manzo, Barb	Ring, Anthony	Tate, Russ	
McConohy, Joe	Ripplinger, Susan	Van Es, Ken	

4. **Background Checks & Psych Exams.** \$2,500 is budgeted for background checks and psych exams required before ordination. A Psych Exam costs \$450 and a background check costs \$25.
5. **Clergy Ordinations & Support.** \$2,400 is budgeted to support newly ordained priests and deacons. Typical disbursements are framing of ordination documents and graduation gifts.
6. **Clergy Continuing Education.** \$2,380 is budgeted for Clergy Continuing Education.

Diocese of Eau Claire Inc 2022 Budget Narrative (Continued)

Help Other Ministries (\$22,300 vs. \$19,800)

These funds are used to pay ECUSA National Assessment (\$21,000, up from \$18,500 in 2021), support the Wisconsin Council of Churches (\$500), pay our ECUSA mandated Province V Assessment (\$300), and support Outside Ministries TBD (\$500). Eau Claire, despite its small size, is one of the few dioceses in ECUSA that has paid its full Askings to the national church for generations.

Help Diocesan Ministries (\$27,200 vs. \$27,200)

1. **Camp Horstick.** Since 2013, Diocesan Convention urged greater budget emphasis be placed on Youth Ministry. In response, financial support for Camp Horstick has significantly increased.

For 2022, the Camp Horstick budget is \$9,400. While the diocese expects to be able to pay fees for all campers, congregations are encouraged to pay half of this fee to relieve strain on the Diocesan Budget.

2. **General Convention Deputies Expenses.** \$9,000 will be set aside from the 2022 budget to support attendance of Eau Claire's deputies to attend General Convention in Baltimore July 2022. In years past, the diocese sent a full deputation (4 Clergy & 4 Lay Deputies; 1 Clergy & 1 Lay Alternate; Bishop & Spouse) to General Convention. At the 2019 Diocesan Convention, it was decided alternates would not be sent to GC 2022 Baltimore and beyond. Alternates will be elected for 2022 and beyond but will attend only if a Deputy cannot. This saves \$7,200 for GC 2022 Baltimore or \$2,400 per year.
3. **Diocesan Convention Expenses.** \$2,200 is budgeted for Diocesan Convention Expenses.
4. **Family Retreat.** \$2,200 is budgeted to supplement this ministry. Attendees have historically paid most of the cost of this retreat.
5. **Episcopal Youth Event.** COVID caused the cancellation of EYE 2021. Funds budgeted for 2021 are being retained for a future event, hopefully in 2022. \$2,200 is budgeted to be set aside from the 2022 budget. Cost for Diocesan Youth to attend EYE 2017 at the University of Central Oklahoma near Oklahoma City 10-14 July 2017 was \$4,700 for 8 attendees.
6. **Diocesan Ministries TBD.** \$2,200 is set aside for Diocesan Ministry opportunities that present themselves during the year.
7. **Resource 2.0.** This was a Stewardship Training Program sponsored by the College of Bishops, the Episcopal Church's Office of Development, and the Episcopal Church Foundation. Training took place at Camp Allen TX April 2018. The bishop and several members of the diocese attended.

Office Expenses (\$25,800 vs. \$25,300)

A \$500 increase in insurance premiums caused this change.

This budget is used to run the diocesan office. One of the largest expenses is the ECUSA mandated external audit. Although national canons allow congregations to use an Audit Committee, "All accounts of the Diocese shall be audited annually by an independent Certified Public Accountant" (National Canon 1.7.1(f)). While the Chancellor advises there is no wiggle-room in this Canon, Executive Council should consider petitioning for an exemption so an Audit Committee could be used. Wipfli LLC is used to meet this requirement. Copies of the 2021 Audit are available on request. 2022 cost is budgeted at \$9,300 with \$6,000 paid by the diocese and \$3,300 by Buffington Trust.

Diocese of Eau Claire Inc 2022 Budget Narrative (Continued)

The diocese pays \$6,460 per year rent to the Cathedral for office space. The Internet is shared by the Diocesan and Cathedral Offices and the cost is split equally between them. Other Office Expense budget provisions are made for office supplies, postage, Web Page Development, software purchases, and the Diocesan Journal. Because the office is open only part time, both the Diocesan Administrator and the Bishop have cell phones capable of retrieving messages from the diocese’s voice mail; the diocese does not have a traditional landline or FAX. Insurance (office contents and Directors & Officers Liability) is provided through Church Insurance; Buffington Trust pays for insurance for the property it owns. Paychex administers Diocesan Payroll under the supervision of the Diocesan Treasurer. Paychex electronically pays employees monthly via Direct Deposit, prepares and submits all required state and federal tax forms, and prepares all year-end W2s and 1099s. Money is escrowed annually so funds are available to replace office computers and other hardware/software as needed. Cost of the Zoom Video-conferencing license is also paid from this budget

Trust Point Inc Management Fee (\$18,000 vs. \$13,200)

Trust Point Inc manages the Diocesan Endowment portfolio. Their annual fee is 0.6% of the Average MV of the portfolio payable monthly and are budgeted at \$18,000 for 2022 based on 2021 experience.

Trust Point Inc Investment Performance

Diocese Of Eau Claire Endowment Funds Trust Point Inc Equivalent Annual Return		
Diocese	Buffington	To 09/30/2021
7.9%	7.0%	10 Yrs 9 Mos
8.7%	8.4%	9 Yrs 9 Mos
8.2%	7.6%	8 Yrs 9 Mos
7.2%	5.8%	7 Yrs 9 Mos
7.7%	6.2%	6 Yrs 9 Mos

Although geopolitical uncertainties are causing significant stock market volatility, Trust Point continues to meet the diocese’s long-term Total Return goal of 7 percent annually over a normal business cycle of 7 to 10 years. Professional not-for-profit portfolio managers recommend 3 to 5 percent be taken as Endowment Income and the remainder reinvested as a hedge against inflation. Current Trustee practice is to take 4 to 5 percent of the Diocesan Endowment Fund invested at Trust Point as income. This strategy should be able to

be continued in perpetuity without ever invading principal. Recent stock market volatility reinforces why the temptation to resist withdrawing gains in good times should be resisted in a “Total Return” investment strategy. These gains are needed to offset inflationary pressures as well as sustain distributions in unfavorable markets. The diocese has two separate accounts at Trust Point.

- **Diocese** has a market value of \$4.92 million. \$3.61 million in Diocesan Endowments generates Diocesan Budget income and \$1.06 million in congregation endowments generates quarterly income to them. \$0.25 million in Restricted and Unrestricted Cash are also on deposit at Trust Point.
- **Buffington** Trust has a market value of \$1.15 million. A bequest from Fannie Mae Buffington established the Trust in the 1940s to provide housing for low income seniors in the Eau Claire area. In addition to the \$1.15 million at Trust Point, the Trust owns four Altoona 4-plexes with a combined insured value of \$2.88 million. Most Buffington-qualified tenants contribute \$130 per month while a few are unable to contribute anything. Trust income makes up the difference to cover the cost of owning and operating the buildings. While authority to manage Buffington Homes has been delegated to a Board appointed by the bishop, the diocese is ultimately responsible and accountable for management of the properties as well as Trust administration. Buffington financial statements are available on request.

Diocese of Eau Claire Inc
2022 Budget Narrative (Continued)

A Note About Diocesan Accounting Procedures

QuickBooks is used to manage diocesan finances. Electronic banking and “cloud” computing (Microsoft’s OneDrive) are used extensively to administer diocesan finances and maintain necessary records. Data is available by computer anywhere in the world an internet connection is available. Redundancy is provided by Carbonite, a software program that backs up diocesan financial records offsite. Because data is encrypted, password protected, and backed up as soon as changes are made, sensitive financial data has a high level of security. Since all data is stored offsite, it remains secure even if the diocesan office is compromised through events such as fire or vandalism.



Bob Weathers, Treasurer
Diocese of Eau Claire, Inc.
For the Executive Council

Diocese of Eau Claire Inc
Comparative Ministry Program Actual vs. Budget

		For the Year Ended December 31 st							
		2022	2021	2021	2020	2019	2018	2017	
		Budget	Projected	Budget	Actual	Actual	Actual	Actual	
INCOME									
4000000 · Apportionments									
	4001000 · Ashland St Andrew's	-	-	-	-	-	5,360	6,600	
	4002000 · Bayfield Christ Church	-	-	-	-	-	348	1,324	
	4001000 · Bayfield CC of Chequamegon Bay	3,000	3,000	3,000	2,400	1,764	-	-	
	4002000 · Chippewa Falls Christ Church	5,880	4,272	4,272	6,468	6,096	5,520	5,040	
	4003000 · Chippewa Falls St Simeon's	1,872	2,040	2,040	1,764	1,632	1,067	1,848	
	4004000 · Clear Lake St Barnabas	912	1,020	1,020	864	936	900	804	
	4005000 · Conrath Holy Trinity	-	-	432	-	732	1,212	1,212	
	4006000 · Eau Claire Christ Church Cath	29,724	30,108	30,108	33,444	18,349	15,984	30,844	
	4007000 · Hayward Ascension	6,564	6,948	6,948	7,884	7,860	8,556	8,184	
	4008000 · Hudson St Paul's	15,972	15,960	15,960	15,924	15,744	15,408	14,952	
	4009000 · La Crosse Christ Church	23,148	32,760	32,760	33,600	33,000	32,400	32,700	
	4010000 · Lugerville Our Savior's	1,788	1,596	1,596	1,416	1,164	1,080	996	
	4011000 · Menomonie Grace Church	5,388	6,444	6,444	5,544	5,160	4,668	4,140	
	4012000 · New Richmond Sts Thomas & John	1,044	1,032	1,032	1,032	996	1,056	1,008	
	4013000 · Owen St Katherine's	2,052	2,040	2,040	1,776	1,776	1,680	1,812	
	4014000 · Rice Lake Grace Church	6,108	6,108	6,108	6,564	7,152	6,672	9,060	
	4015000 · Sparta St John's	4,716	4,836	4,836	4,608	4,800	4,104	5,040	
	4016000 · Spooner St Alban's	3,876	3,792	3,792	3,612	3,744	3,684	3,456	
	4017000 · Springbrook St Luke's	2,928	2,928	2,928	2,988	3,096	2,856	3,336	
	4018000 · Superior St Alban's	6,012	6,012	6,012	6,900	6,386	5,904	5,268	
	4019000 · Tomah St Mary's	6,264	5,592	5,592	4,860	4,260	4,212	6,024	
	4020000 · Allowance For Unpd Apportmnt	(1,248)	-	(1,320)	-	-	-	-	
Total 4000000 · Apportionments		126,000	136,488	135,600	141,648	124,647	122,671	143,648	
4100000 · Endowment Income		126,000	125,458	121,200	122,985	121,901	122,049	115,211	
4200000 · Apportionment Arrearages Paid		-	144	-	15,047	16,165	-	-	
4300000 · All Other Income		-	-	-	-	-	-	-	
TOTAL INCOME		252,000	262,090	256,800	279,680	262,713	244,720	258,859	
EXPENSE									
6000000 · Episcopate									
	6010000 · Salary	33,756	33,240	33,240	35,750	38,250	37,700	37,200	
	6020000 · Housing	8,004	8,000	8,000	5,600	16,800	16,800	16,800	
	6030000 · Health Insurance	8,232	7,722	7,700	1,353	1,236	1,236	1,214	
	6040000 · Pension	7,560	7,423	7,400	-	-	-	-	
6050000 · Accountable Plan									
	6051000 · Lodging	5,046	2,057	16,110	3,575	-	-	-	
	6052000 · Mileage	2,652	1,165	9,600	3,820	7,141	5,820	7,072	
	6053000 · Pastoral Care	1,200	27	6,600	2,200	7,697	5,179	5,435	
	6054000 · Per Diem Meals & IE	1,200	797	6,600	-	-	-	-	
	6055000 · Cell Phone Allowance	-	-	-	825	900	900	-	
Total 6050000 · Accountable Plan		10,098	4,048	38,910	10,420	15,738	11,899	12,507	
6060000 · Reserves for Future Expenses									
	6061000 · Sabbatical	500	500	500	-	-	-	-	
	6062000 · Lambeth Travel	250	250	250	1,300	1,200	2,065	100	
	6063000 · Election Of Next Bishop of EC	-	-	-	13,000	12,000	12,000	11,100	
Total 6060000 · Reserves for Future Expenses		750	750	750	14,300	13,200	14,065	11,200	
6070000 · Extra-Diocesan Meetings									
	6071000 · HOB Spring Meeting	-	-	-	195	1,147	1,863	2,124	
	6072000 · HOB Fall Meeting	-	-	-	-	3,035	-	2,358	
	6072500 · General Convention	-	-	-	-	-	5,236	-	

Diocese of Eau Claire Inc
Comparative Ministry Program Actual vs. Budget

		For the Year Ended December 31 st						
		2022	2021	2021	2020	2019	2018	2017
		Budget	Projected	Budget	Actual	Actual	Actual	Actual
	6073000 · Province V Meeting	-	-	-	480	130	1,434	583
	6074000 · WI Council of Churches Meeting	-	-	-	-	273	-	480
	6075000 · Extra-Diocesan Travel TBD	-	-	-	-	2,992	-	5,249
	Total 6070000 · Extra-Diocesan Meetings	-	-	-	675	7,577	8,533	10,794
	Total 6000000 · Episcopate	68,400	61,183	96,000	68,098	92,801	90,233	89,715
	6100000 · Dioc Administrator (Part-Time)							
	6110000 · Paid To Administrator							
	6111000 · Total Assessable Comp (TAC)							
	6111100 · Salary	13,848	13,572	13,572	12,168	12,168	12,168	11,844
	6111200 · Housing	7,752	7,596	7,596	7,212	7,212	7,212	6,996
	6111300 · SECA [7.65% X (TAC-SECA)]	1,656	1,620	1,620	1,620	1,620	1,620	1,560
	Total 6111000 · Total Assessable Comp (TAC)	23,256	22,788	22,788	21,000	21,000	21,000	20,400
	6112000 · Medical Insurance Allowances							
	6112100 · Medical Ins Prem Allwnc	4,992	4,896	4,896	4,896	4,896	4,896	4,896
	6112200 · Medical Ins Allwnc SECA Offset	1,092	1,068	1,068	1,068	1,068	1,068	1,068
	6112300 · Medical Ins Allwnc Tax Offset	1,080	1,056	1,056	1,056	1,056	1,056	1,056
	Total 6112000 · Medical Insurance Allowances	7,164	7,020	7,020	7,020	7,020	7,020	7,020
	6113000 · Dental Insurance Allowances							
	6113100 · Dental Insurance Prem Allwnc	648	636	636	636	636	636	636
	6113200 · Dental Insurance SECA Offset	144	144	144	144	144	144	144
	6113300 · Dental Insurance Tax Offset	120	120	120	120	120	120	132
	Total 6113000 · Dental Insurance Allowances	912	900	900	900	900	900	912
	Total 6110000 · Paid To Administrator	31,332	30,708	30,708	28,920	28,920	28,920	28,332
	6120000 · Pension (18% TAC)	4,168	4,102	4,092	3,672	3,672	3,672	3,672
	Total 6100000 · Dioc Administrator (Part-Time)	35,500	34,810	34,800	32,592	32,592	32,592	32,004
	6200000 · Help Diocesan Clergy							
	6210000 · Retired Clergy Insurance							
	6211000 · Life Insurance							
	6211010 · Kirby, Scott	200	199	200	172	159	159	159
	6211020 · Wantland, William	200	199	200	172	159	159	159
	6211030 · Rogers, Sampson	-	80	200	172	159	159	159
	6211040 · Vierbicher, Donna	-	199	200	172	159	159	159
	Total 6211000 · Life Insurance	400	676	800	689	636	636	636
	6212000 · Medical Insurance							
	6212010 · Brown, Alice	2,460	2,460	2,460	2,730	2,575	2,580	2,415
	6212020 · Gardner, Bruce	2,460	2,460	2,460	2,730	2,575	2,580	2,415
	6212030 · Kirby, Scott	2,460	4,920	4,920	5,460	5,150	5,160	4,830
	6212040 · Stamm, George (Empl+1)	4,920	4,920	4,920	5,460	5,150	5,160	4,420
	6212050 · Usher, Evelyn	2,460	2,460	2,460	2,730	2,575	2,580	2,415
	6212060 · Wantland, William	2,460	2,460	2,460	2,730	2,575	2,580	2,415
	6212970 · Beauchamp, Gladys	-	-	-	-	1,505	2,580	2,415
	6212080 · Rogers, Sampson	-	2,460	2,460	2,730	2,575	2,580	2,415
	6212090 · Vierbicher, Donna (Lay Premium)	-	7,260	7,260	7,670	7,040	6,840	6,510
	6212100 · Wantland, Janet	-	-	-	-	-	-	1,400
	Total 6212000 · Medical Insurance	17,220	29,400	29,400	32,240	31,720	32,640	31,650
	Total 6210000 · Retired Clergy Insurance	17,620	30,076	30,200	32,929	32,356	33,276	32,286
	6220000 · Clergy Retreats & Renewal	6,000	-	6,000	166	4,083	3,738	3,930
	6230000 · Clergy Car Fund Reserve	6,600	6,400	7,500	3,800	3,900	4,100	4,100
	6240000 · Background Checks & Psych Exams	2,500	-	2,500	1,223	600	-	2,296

Diocese of Eau Claire Inc
Comparative Ministry Program Actual vs. Budget

		For the Year Ended December 31 st							
		2022	2021	2021	2020	2019	2018	2017	
		Budget	Projected	Budget	Actual	Actual	Actual	Actual	
	6250000 · Clergy Ordinations & Support	2,400	-	2,400	5,708	660	3,409	3,505	
	6260000 · Clergy Continuing Education	2,380	-	2,100	-	2,679	-	-	
	Total 6200000 · Help Diocesan Clergy	37,500	36,476	50,700	43,826	44,278	44,523	46,117	
	6300000 · Help Other Ministries								
	6310000 · General Church Program	21,000	18,500	18,500	15,800	18,000	15,600	16,800	
	6320000 · Wisconsin Council Of Churches	500	-	500	-	500	500	500	
	6330000 · Province V Assessment	300	250	300	280	249	206	203	
	6340000 · Outside Ministries TBD	500	600	500	-	-	-	335	
	6350000 · College For Bishops	-	-	-	500	500	500	1,064	
	Total 6300000 · Help Other Ministries	22,300	19,350	19,800	16,580	19,249	16,806	18,902	
	6400000 · Help Diocesan Ministries								
	6410000 · Camp Horstick	9,400	6,400	9,400	9,100	10,393	15,675	21,570	
	6420000 · Genl Conv Deputies Expenses	9,000	6,000	9,000	24,000	12,000	10,018	10,800	
	6430000 · Diocesan Convention Expenses	2,200	-	2,200	1,201	784	555	1,919	
	6440000 · Family Retreat	2,200	-	2,200	-	2,500	-	2,427	
	6450000 · Episcopal Youth Event	2,200	1,600	2,200	2,600	1,800	1,800	1,861	
	6460000 · Diocesan Ministries TBD	2,200	2,141	2,200	17,104	-	1,409	465	
	6470000 · Resource 2.0	-	-	-	-	-	3,174	-	
	Total 6400000 · Help Diocesan Ministries	27,200	16,141	27,200	54,004	27,477	32,631	39,042	
	6500000 · Office Expenses								
	6501000 · Office Rent & Utilities	6,460	6,460	6,460	6,460	4,845	8,075	6,460	
	6502000 · Audit	6,000	5,000	6,000	6,500	5,800	5,300	5,000	
	6503000 · Insurance	1,700	3,202	1,200	1,263	2,340	2,259	3,243	
	6504000 · Software	2,600	378	2,600	474	1,494	453	1,364	
	6505000 · Office Supplies & Expenses	1,700	604	1,700	346	1,630	1,666	423	
	6506000 · Cell Phone	1,020	765	1,020	770	767	787	787	
	6507000 · Web Page Development	1,000	447	1,000	407	331	611	240	
	6508000 · Internet	1,000	840	1,000	791	1,472	450	715	
	6509000 · Zoom Video Conferencing	1,000	2,098	1,000	1,321	685	721	-	
	6510000 · Diocesan Publications	500	-	500	-	-	-	-	
	6511000 · Postage	800	-	800	330	342	437	110	
	6512000 · Worker's Compensation	440	414	440	353	396	443	384	
	6513000 · Paychex Service Fee	380	212	380	228	227	225	228	
	6514000 · Office Equipment Reserve	1,200	800	1,200	749	2,213	5,449	100	
	Total 6500000 · Office Expenses	25,800	21,220	25,300	19,991	22,542	26,876	19,054	
	6600000 · Trust Point Inc Management Fee	18,000	17,458	13,200	14,985	13,902	14,049	12,611	
	TOTAL EXPENSE	234,700	206,638	267,000	250,076	252,841	257,710	257,445	
	SURPLUS (DEFICIT) FOR THE YEAR	17,300	55,452	(10,200)	29,604	9,872	(12,990)	1,414	