

**Budget and Finances  
For the Mission of The Episcopal Church  
In the Diocese of New Jersey**

**Report of the Treasurer to the 224<sup>th</sup> Diocesan Convention**

*To: Clergy, Lay Deputies and Alternates to the 224<sup>th</sup> Convention of the Diocese of New Jersey*

*From: Peter Hausman, Treasurer*

*The Budget and Finances for the Mission of The Episcopal Church in the Diocese of New Jersey –  
Report to the 224<sup>th</sup> Diocesan Convention*

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Dear Friends,

This memorandum accompanies the Revised Preliminary Diocesan Budget for Fiscal Year (FY) 2008 and the Proposed Preliminary Diocesan Budget for FY 2009, supporting the mission and ministry of the Diocese of New Jersey for the next two years, which I am submitting for your consideration on behalf of Bishop Cancell, the Diocesan Council, the Finance and Budget Committee and the financial offices of the Diocese.

***The 2008 Budget***

Congregational Fair Share pledges rose by approximately 3% from FY 2007 to FY 2008. The FY 2008 budget also includes a new income item: we have received two gifts from friends who know Bp. Romero and appreciate his ministry, totaling \$300,000. These gifts have been apportioned into the budget over the five years that we anticipate that Bp. Romero will be with us, using a step-rate formula: \$100,000 in FY 2008, \$80,000 in FY 2009, declining by \$20,000 in each subsequent year so that, by the end of the five-year period, we will have built the support for a two-bishop diocese back into our budget.

For the fourth consecutive year, our budget allocations include full funding for direct support to mission congregations and for our fair share to The Episcopal Church (sometimes referred to as the “national church”).

The FY 2008 budget also provides these new allocations and increases:

- Support for Trinity Cathedral (line 40) has been raised to 5% of our Fair Share pledge offering.
- \$40,000 has been allocated to support the Vision that was adopted at last year’s Convention (line 60).
- Risk Management Inspections, which are funded through a special grant from Church Insurance, are included for the first time in FY 2008 (line 102a).
- A program to expand our college chaplaincies beyond the two major universities in our Diocese – Princeton and Rutgers – has been funded (line 303).
- The Hunger Task Force (line 310) has been resurrected in 2008, and pastoral work at the Elizabeth Detention Center (line 312) has been recognized as a diocesan ministry.
- Our allocation for the Lambeth Conference (line 410) has been increased to provide for attendance by both of our bishops.

Note that the budget for Diocesan Communications (line 50) and for the Communications Officer (lines 660-663) has been reduced for FY 2008. Our Communications Officer has taken a personal leave of absence for a large part of 2008 while she deals with her husband’s illness; these allocations reflect the

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cost that we will incur for our interim communications office during that period. (Those items are returned to their full amounts in the Preliminary FY 2009 Budget.)

### ***The Preliminary 2009 Budget***

The preliminary FY 2009 budget includes the revenue that would be available if every congregation is able to commit to the full amount of their Fair Share in 2009. This approach allows us to hold the budget up as a vision of the kind of ministry that we can accomplish together if the resources are available to support it. It also includes the second apportionment from the gifts that we received to support Bishop Romero's ministry.

The preliminary FY 2009 budget supports all of the expenditures that are provided in FY 2008, often at an increased level from the 2008 allocation. This budget also anticipates that the following new allocations and increases could be supported, if congregations pledge the full Fair Share amount:

- \$60,000 could be allocated to support the Vision that was adopted at last year's Convention (line 60).
- The allocation for Congregational Ministry Grants and Regional Ministry Grants, supported by the Matthews Fund Small Grant Program (lines 120, 121) could be raised to \$80,000.
- During 2008 Bishop Romero, working with diocesan leaders, will begin to develop a program for ministry among the varied cultures and ethnic groups that make up the communities of our Diocese. We anticipate that some elements of that program will begin in 2009; \$70,000 has been allocated (line 206) for that purpose.
- We will also try once again to initiate a program for Young Adult Ministry (line 301).
- Three new senior staff positions (lines 670-672) could be established, which would be dedicated to supporting ministry in our congregations. Funding is also provided to increase the administrative staff (line 680).
- Allocations are also provided to support the growing capital costs of maintaining our diocesan offices (line 712) in Trenton, and to sponsor a major capital campaign (line 712a). We anticipate a campaign that partners with our congregations, working together to raise funds to support ministry in the Diocese and in the local parishes.

### ***General Notes and Comments***

This budget, which is the last one that I will submit to you, continues the pattern of increasing revenue and expanding ministry that has been our hallmark during the transition times under Bishop Donovan and Bishop Joslin and during the first years of Bishop Cancell's episcopacy. We are now many years away from the difficult times of the late 1990s; with this budget, and the financial support for our ministry that it offers, we can reclaim our historical status as a large and prosperous diocese and reaffirm our dedication to the ministry that we can do together.

Beyond the specific ministries that are funded on each line item, this budget provides a pathway to our vision for the future of the Diocese of New Jersey. We are now poised to fully support the mission that Bishop Cancell, Bishop Romero, the clerical and lay leaders in our Diocese and the leadership and the people in our congregations envision as we steer our Diocese into that future.