



Diocese of Southern Ohio

Report of the Budget Committee: The 2025 Consolidated Budget

Background

The “convention budget” is the portion of the diocesan operating budget that is funded primarily by Mission Share payments. This is the budget that is approved by Diocesan Council for presentation at the diocesan convention for ratification by the delegates. The convention budget is but one source of funds used to support the missions and ministries of the Episcopal Diocese of Southern Ohio.

In addition to the convention budget, the diocesan missions and ministries are funded by the William Cooper Procter Fund (“WCP Fund” or “WCP”), and by many funds that comprise the “Other Funds” category. The Other Funds include both designated and non-designated funds.

The largest single designated fund is the WCP Fund. The earnings from the WCP are allocated annually by the bishop and trustees of the diocese. These funds can be used only if the use meets one of the four criteria specified in the donor’s bequest.

The consolidated budget is the sum of the convention budget, distributions from the WCP Fund and distributions from the Other Funds. In the spirit of transparency, we present the budgets of all three funding sources the diocese expects to deploy in 2025, even though the delegates only control the convention budget.

The 2025 Consolidated Budget: Executive Summary

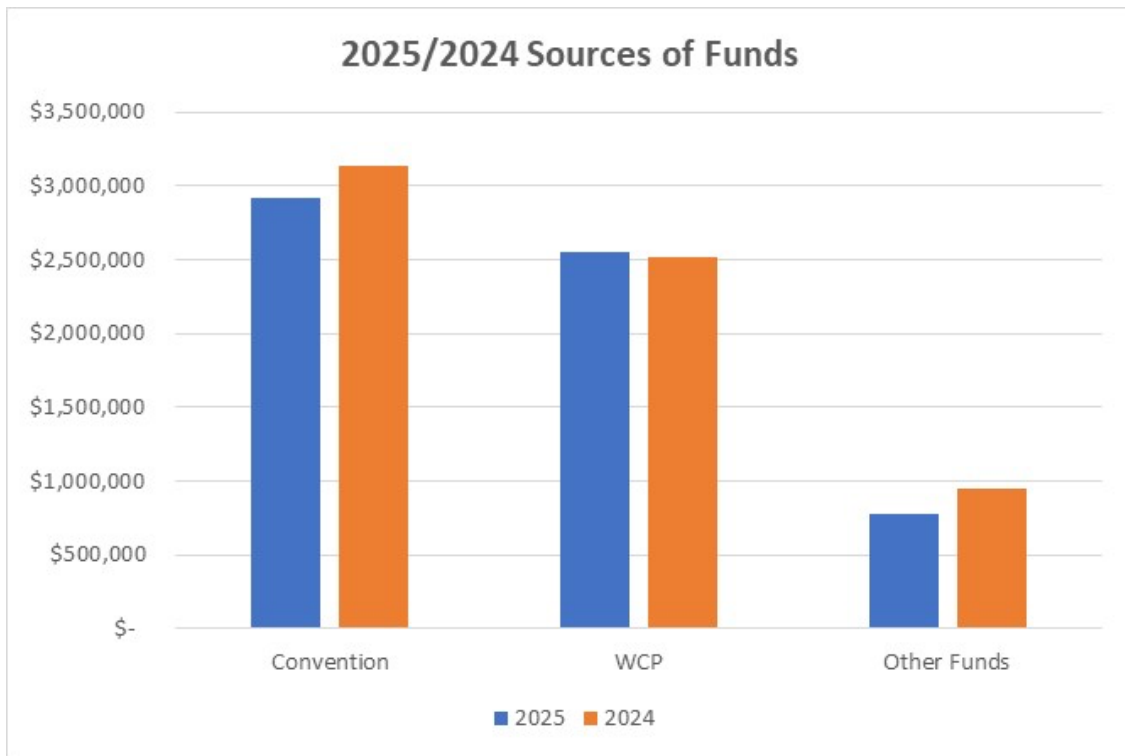
Sources of Funds

The Budget Committee is presenting a balanced budget for 2025. Total expected revenue for the consolidated budget in 2025 is \$6,240,267, or \$364,493 less than in 2024. The Diocesan Council approved a reduction in Mission Share payments that will result in a \$315,091 decrease in expected Mission Share income for the convention budget.

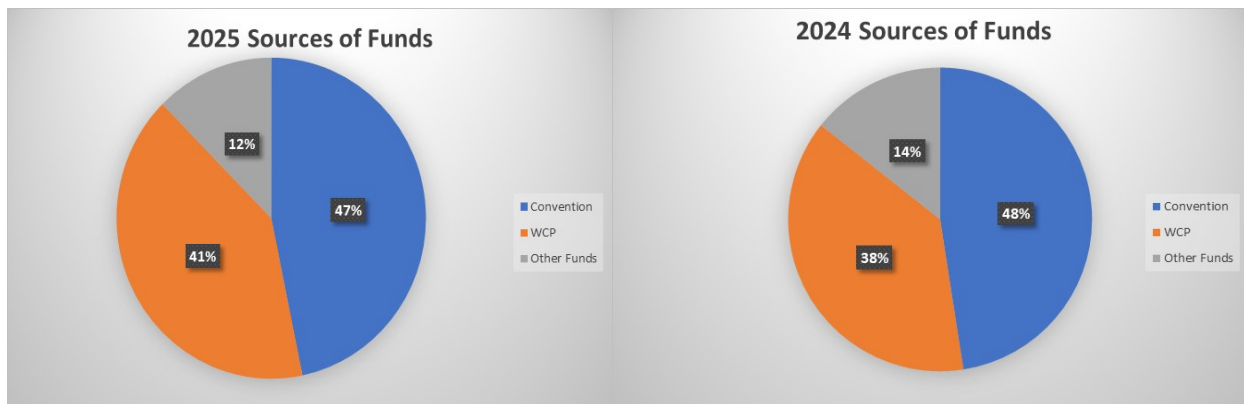
The distribution from the WCP Fund of \$2,547,583 is pursuant to the trustees’ instructions and includes \$650,000 of pass-through payments to Procter Camp & Conference Center and the Church Foundation.

Distributions from the Other Funds category are estimated at \$774,386. These are designated and non-designated funds. The sources and uses of these Other Funds are color coded in the budget to show the match between a funding source and its intended use. The largest of these Other Funds is the Charlotte Elizabeth Procter Fund (“CEP Fund” or “CEP”). The CEP pays for all the bishop’s expenses except for pension.

The following graph compares the sources of funds in the 2025 and 2024 consolidated budgets.



In 2025, slightly more than half of the consolidated revenue comes from the WCP and Other Funds, like the sources of revenue in the 2024 budget. The 2025 consolidated operating budget income, less the transfers to Procter Camp and the Church Foundation is estimated at \$5,540,267.



Uses of Funds

The Diocese of Southern Ohio is engaged in an exciting transition. We have discerned, as a diocese, the missions we are called to pursue and how best to support those ministries. This means a beginning for innovative programs, a continuation and maturation of the missions of other programs, and the sunsetting of some programs whose work is done.

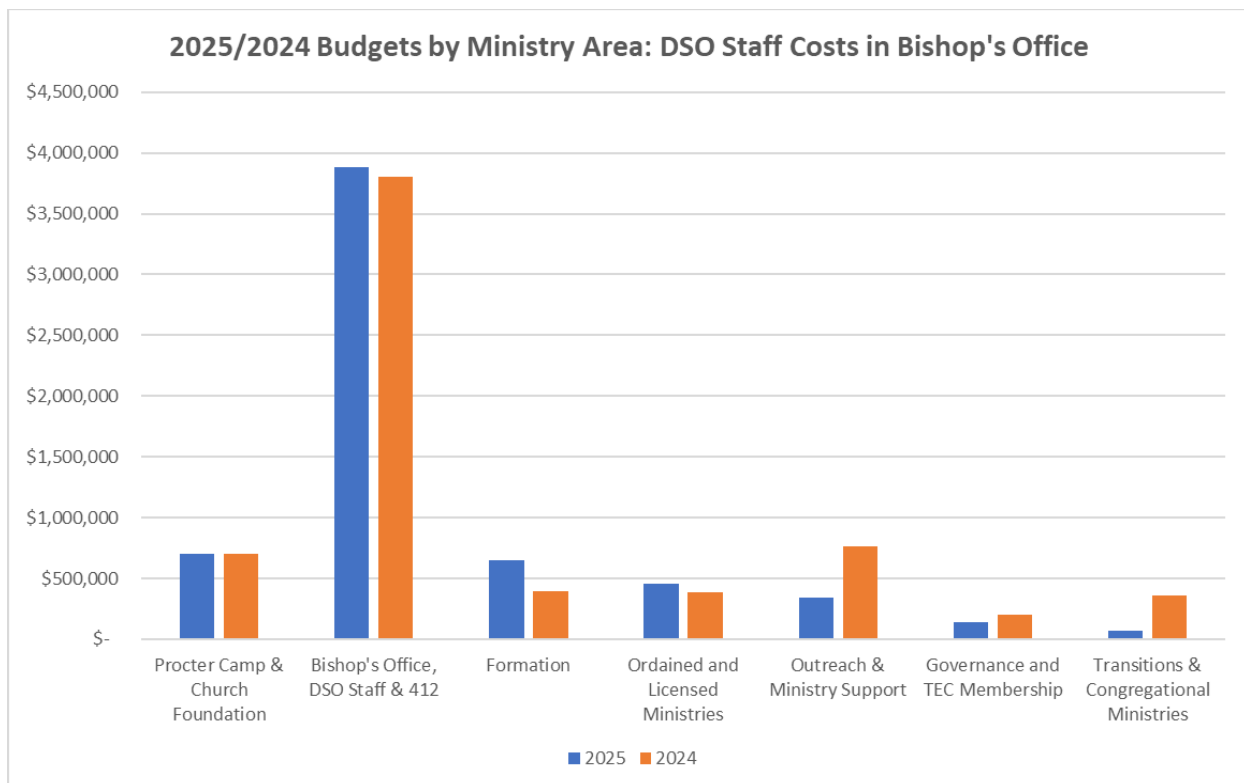
The Budget Committee added a new process this year to encourage members of the diocese to propose new ministries. The Committee received requests for three new ministries and all three will receive funding in the 2025 budget. These new ministries are:

- LGBTQ+ programming for rural parishes
- College for Congregational Development
- Clergy Gatherings

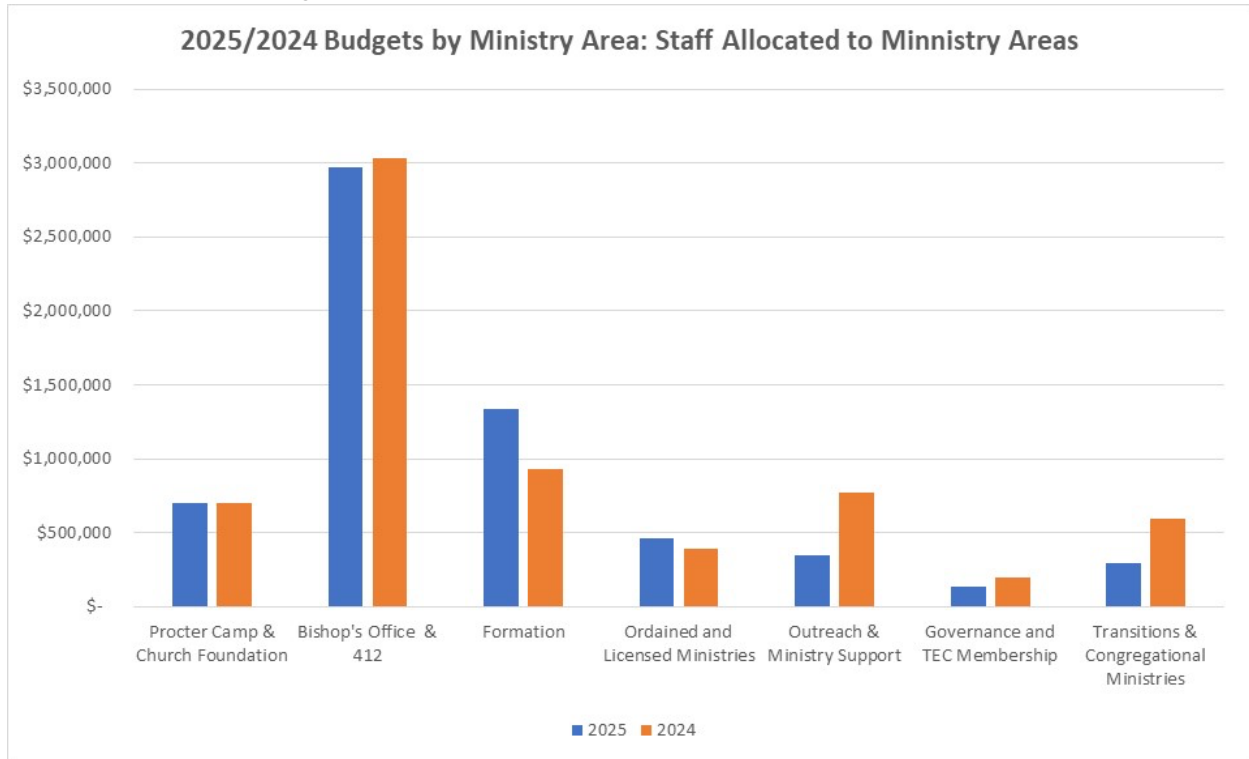
The 2025 consolidated budget allocates:

- More capital to formation and ordained and licensed ministry
- Less to outreach and ministry, governance and The Episcopal Church, as well as transitions and congregational ministries.

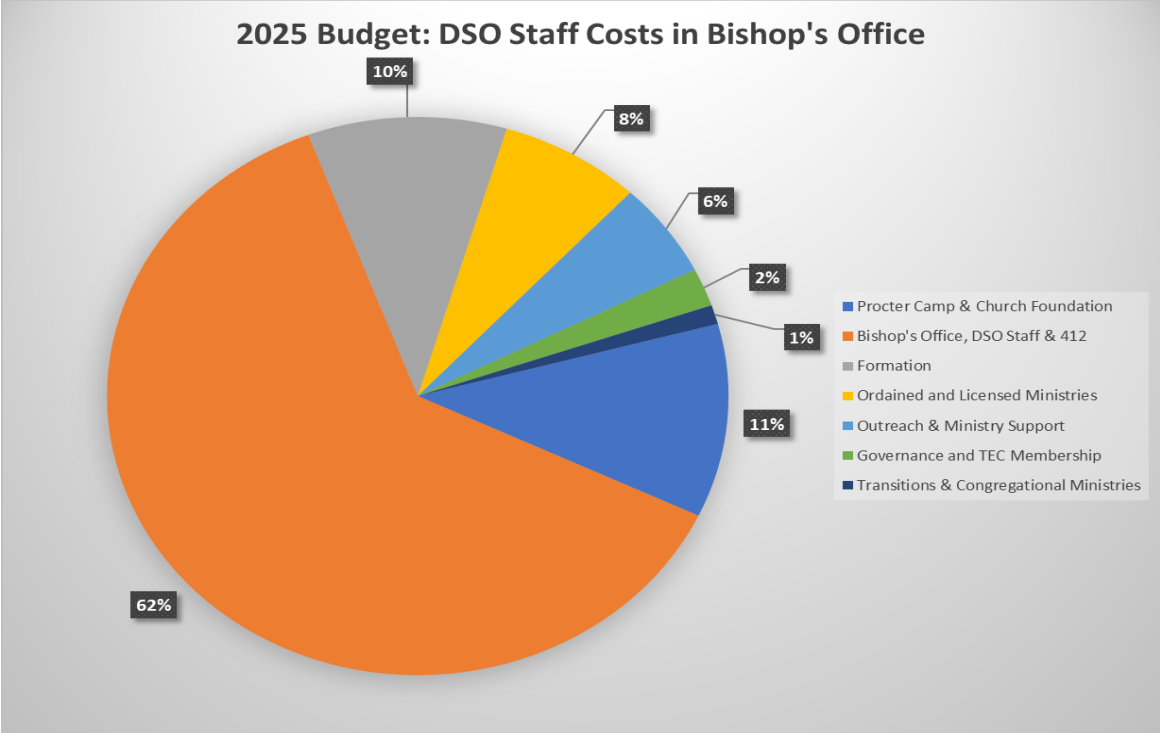
We revised the presentation of the consolidated budget to incorporate the personnel costs associated with diocesan staff into Budget Group 1: Bishop's Office, DSO Staff, and 412 ("Bishop's Office") and compared it to the 2024 consolidated budget.



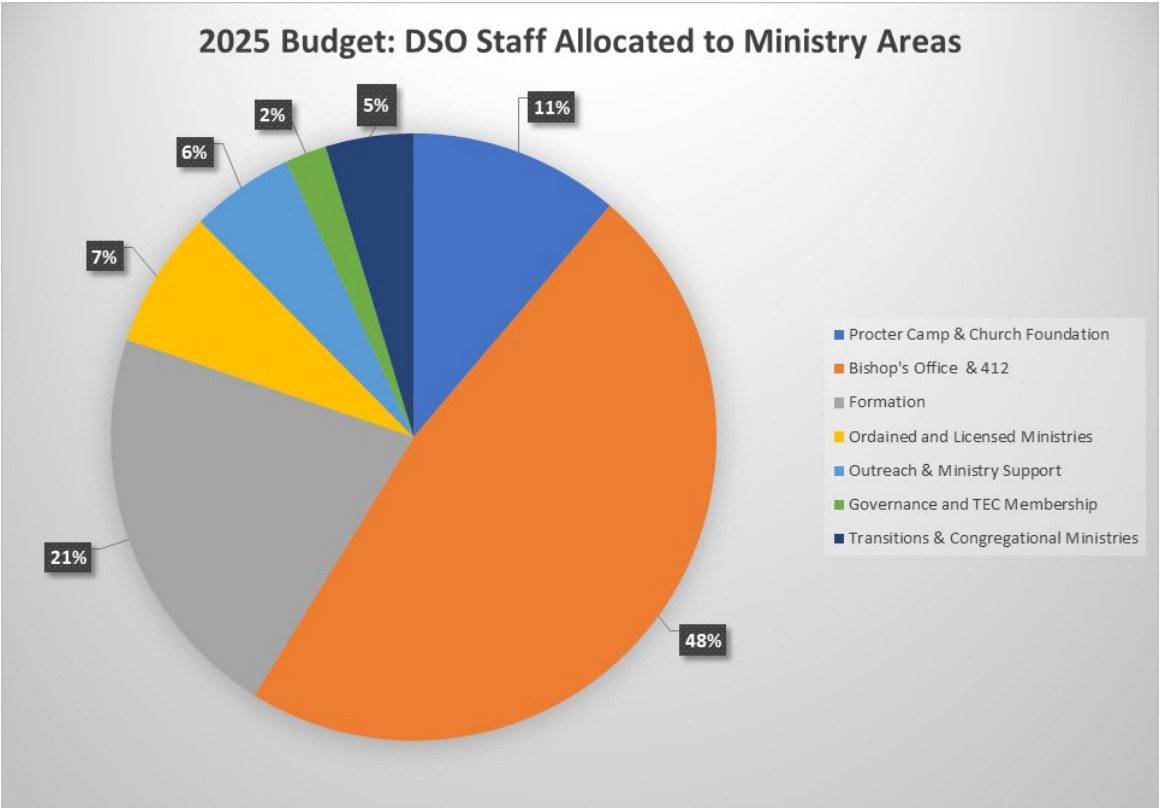
The following graph compares the resource allocations in the 2025 consolidated budget to the 2024 consolidated budget with the DSO staff compensation included in their respective ministries.



The following two graphs show the percentage of total expenditure by budget group for the 2025 consolidated budget. In the first graph, DSO staff costs are incorporated into the Bishop's Office, which constitute 62% of the uses of funds.



This second graph is the traditional view, where staff is associated with their respective ministry centers, and the Bishop's Office comprises 48% of the uses of funds.



The William Cooper Procter Fund

The allocation from the WCP for 2025 is \$2,547,583. The following is an explanation of the four criteria, and how the funds will be used in 2025 to meet those criteria.

Criterion #1

“The giving of relief to those in trouble and need, especially where there would be an opportunity for restoring physical, mental or spiritual wellbeing.”

This criterion is exemplified by the funding the following ministries:

- Procter Camp and Conference Center – support in the amount of \$350,000
- Church Foundation - support in the amount of \$300,000.

Criterion #2

“Building the quality of the clergy in the diocese by the perpetuation of a plan for grants to supplement salaries and churches where there is a real promise for the future.”

This criterion is exemplified by funding the following ministries:

- Formation
 - Education / Licensed Ministry – \$8,250 to support education and training
 - Diaconal School – \$47,127 to support the education of future deacons.
- Ordained / Licensed Ministries
 - Commission on Ministry - \$55,159 to support the screening process for potential seminarians
 - Deacon and Priests Programs - \$30,635 to support clergy gatherings
 - Ordinations - \$3,100 to support the newly instituted preordination retreat with the bishop
 - New Clergy Program and Placement – \$305,804 of financial support for the newly-placed clergy.

Criterion #3

“Developing a more widespread sense of responsibility in the parishes and missions of the diocese for the support of the missionary work of the church.”

This criterion is exemplified by funding the following ministries:

- Bishop’s Office
 - Reparations Task Force - \$184,740 funding of the Black Missioner position
 - Formation Staff - \$203,504 to operate the Formation Office
 - Becoming Beloved Community Staff- \$114,594 to support the compensation of the BBC staff
 - Campus Ministry Staff - \$29,026 to support compensation and travel expenses
 - Family Formation and Youth Staff - \$137,579 in compensation support
 - 412 Sycamore - \$88,449 to support building maintenance

- Organizational/Institutional -\$25,000 for the audit expenses associated with the investments of the diocese.
- Formation
 - Formation Office - \$12,724 in support for education and meeting expenses
 - Becoming Beloved Community - \$48,000 for education and learning
- Governance & TEC
 - Creation Care - \$27,500 to support Catechism of Place

Criterion #4

“To use grants to take advantage of unusual opportunities for advance work in the church’s program as distinct from the regular running expenses covered by the (convention) budget.”

This criterion is exemplified by funding the following ministries:

- Formation
 - New Episcopal Communities - \$57,700 in compensation support
 - New Episcopal Communities - \$180,805 for congregational new starts and re-starts
 - College for Congregational Development - \$60,000 for the inaugural program
 - Campus Ministry - \$154,940 in grants to support programs in Cincinnati, Columbus, Dayton, and Southeastern Ohio
 - Family Formation and Youth - \$38,600 to support education, pilgrimages, and fellowship expenses
- Outreach and Ministry Support
 - Grants to DSO churches - \$29,897 in support
 - Ecumenical Partners - \$54,450 in support for partner organizations.
- Governance & TEC Membership
 - Creation Care - \$27,500 in support of Catechism of Place

The \$2,547,583 distributed from the WCP Fund in 2025, will be used to fund a total of:

- \$650,000 under Criterion #1
- \$450,075 under Criterion #2
- \$843,616 under Criterion #3
- \$603,892 under Criterion #4.

2025 Consolidated Budget Detail: Uses of Funds

(To be read in conjunction with the consolidated budget line items)

BUDGET GROUP 1: DSO Operations, Bishop’s Office & DSO Staff

Total estimated expenditure for Budget Group 1 in the 2025 budget is \$3,882,887, or \$79,908 increase over the 2024 budget.

1-10 Bishop’s Office

- Bishop's expenses will be offset by payments from the CEP Fund.

1-12 Bishop's Support Staff

- Compensation increases for all the bishop's staff members are calculated at 3.0% above the 2024 levels with a 3.1% increase in health insurance costs.

1-16 Bishop's Office Communications

- Compensation reflects the hiring of the new canon for communications.
- New Ministry Request: \$17,500 for LGBTQ+ events in rural parish locations. The cathedral is contributing \$5,000. The Committee agreed to fund \$5,000: where approximately 1/3 is funded by the convention budget, 1/3 by the cathedral and the remaining to be funded by local parishes.

1-20 Bishop's Office Finance

- Compensation increases for all the bishop's staff members are calculated at 3.0% above the 2024 levels with a 3.1% increase in health insurance costs.

1-22 DSO Operations 412

- Repair and maintenance costs are split between the convention budget and the WCP Fund.

1-24 DSO Organizations/Institutions

- The Episcopal Church Pledge is \$440,000.
- Expense reduction of \$213,540 is from the elimination of the extraordinary costs associated with the 2024 bishop selection process.

1-26 DSO Operations Sesquicentennial

- Funded from the release of FIL excess funding of \$68,000.

1-28 DSO Operations Reparations Task Force

- Paid from WCP – criterion #3

DSO Staffing Consolidation into Budget Group 1

- 2-30 Formation Office
- 2-32 BBC
- 2-34 Campus Ministry
- 2-44 Family Formation & Youth
- 2-48 NEC
- 6-91 Transitions Office

BUDGET GROUP 2: Formation

The total estimated expenditure for formation in the 2025 budget is \$646,282, or a \$252,903 increase over the 2024 budget.

2-29 College for Congregational Development

- New ministry request by the bishop.
- WCP Funding – criterion #4.

2-32 Becoming Beloved Community

- Increased activities planned for 2025 estimated at \$48,000.
- WCP Funding – criterion #3.

2-34 Campus Ministry

- Detailing the amounts for Cincinnati, Columbus, SE Ohio, and Dayton.
- Increased funding of \$94,940, funded by WCP criterion #4.

2-40 Diaconal School

- Increased costs of \$23,377 are a function of an increase in the number of students.
- Funding from WCP – criterion #2.

2-46 Faith in Life

- Speaker fees are reduced from the \$100,000 ask to \$58,161 to match funding available from FIL endowment distribution of \$88,761.

2-48 New Episcopal Communities

- \$160,100 approved for NEC, which represents 6.6% of our estimated mission share income for 2025 and an increase of \$70,339 from 2024.
- Using Other Funds to offset some of the costs.

BUDGET GROUP 3: Ordained / Licensed Ministries

The expected expenditures for ordained and licensed ministries in the 2025 budget is \$459,348 or a \$72,944 increase over the 2024 budget.

3-50 Commission on Ministry

- Using a combination of Mission Share and WCP to fund discernment for new clergy, using WCP criterion #2.
- Increased funding of \$32,445 to address the diocesan clergy shortage.

3-52 Deacons & Priests Programs

- New Ministry Request: bishop's request for clergy gatherings around the diocese.
- Funded by WCP criterion #2.
- Increased funding request for the community of deacons.
- A total funding increase of \$34,151 over the prior year.

3-54 Ordination Ceremonies

- New Ministry Request: bishop's pre-ordination retreat funded by WCP criterion #2.

3-56 New Clergy Program & Placement

- DSO funding the compensation of new clergy placed in parishes. This funding is offset by expected contributions of 25% of the total compensation from each of the new clergy's respective parishes.
- A total funding increase of \$11,908 over the prior year.

BUDGET GROUP 4: Outreach & Ministry Support

The total estimated expenditure for Outreach and Ministry Support in the 2025 budget is \$345,600, or a reduction of \$422,050 from the 2024 budget.

4-60 Grants /Outreach via WCP

- No additional allocations/grants from the WCP Fund made by the bishop.
- Funding for the CCD and clergy gatherings satisfies this item.

4-62 ECM

- Budgeted expenditures are equal to the funding from Other Funds including Blanchard Fund, and ECM donations from individuals, institutions, and churches.

4-64 COCL

- \$177,000 grants are for the continuation of existing grants only.
- WCP used to help fund existing grants under #4 Advance parish programs & mission development.
- Money is not available in the budget to make additional grants in 2025.
- The COCL program mission will be reviewed in 2025.

4-66 Ecumenical Partners

- \$10,300 increase is primarily due to funding the Festival of Faiths.

4-72 Missioners

- The current program is ending on 12/31/24, and costs will decrease by \$227,000.

BUDGET GROUP 5: Governance and TEC Membership

The total estimated expenditure for governance and Episcopal Church membership in the 2025 budget is \$136,960, or a \$62,063 decrease from the 2024 budget.

5-82 General Convention & Lambeth

- There is no allocation in the budget for general convention.
- \$18,000 is allocated from CEP as a reserve for the next Lambeth Conference.
- The net effect is a cost reduction of \$27,000.

5-88 Diocesan Council

- Resolution on SDG Grant, 2% of MS budget for church plants/ restarts, is accomplished in 2-48 NEC (approximately 6.6% of MS budget).
- Resolution for New Hope: Funding for New Hope is ending on 12/31/24. IEES is transferred to NEC 2-48.
- The above-referenced changes produce a \$36,591 budget reduction for 2025

BUDGET GROUP 6: Transitions & Congregational Ministries

The total estimated expenditure for transitions and congregational ministries in the 2025 budget is \$69,190, or a decrease of \$286,135 from the 2024 budget.

6-94 Latino Ministry

- Funded from a release from the IEES Designated Fund.
- IEES staffing is moved to NEC and reduces the costs in Budget Group 6 by \$167,560.

6-96 New Hope Mission

- Funding for this program ends 12/31/2024, producing a cost savings of \$115,435.

6-98 Parish Support

- There is a modest increase of \$5,000 from the prior year.

Summary

The 2025 Convention, WCP, and Other Funds budgets are all in balance, pursuant to canon requirements. The 2025 consolidated budget represents a \$364,493 reduction from the prior year.

Respectfully submitted,

Bradley E Sturm, CAIA,
Budget Committee Chair

2025 Budget Committee

Ms. Ann Brack, 2026

The Rev. Jean Cotting, 2024

Mr. Clifton Flemister, 2024

Ms. Ericka Hall, 2024

Ms. Carol Herrick, 2026

The Rev. Warren Huestis, 2024

Mr. Larry James, 2024

Ms. Nancy Talley, 2025

Ms. Dot Yeager, 2024

The Rt. Rev. Kristin White, Bishop ex-officio

The Rev. Canon Jodi Baron, Canon to the Ordinary, Staff liaison

Ms. Nadya Richardson, Diocesan Treasurer

Mr. Jon Boss, Chair of Trustees, ex-officio

Ms. Andrea Owens, Staff Support