Overview

The 2024 budget, developed during Bishop Paula Clark’s first year as our bishop, is grounded in her priorities and goals and reflects the recent reorganization of the bishop’s staff. As in previous years, this budget projects a deficit of more than one million dollars. It is balanced with a $459,440 draw from the Bishop’s Funds that are available to fund diocesan operations; with $250,000 in extraordinary grants given by Bishop & Trustees; and $344,364 in extraordinary grants given by the Trustees of the Endowment Fund.

The leaders of Diocesan Council, the Trustees of the Endowment, and Bishop & Trustees agree that these funds are the best way to balance the operating budget while they and Bishop Clark discern a sustainable path forward for the diocese and finalize arrangements for the sale of 65 E. Huron. The sale is expected to include the creation of an endowment-like fund that will benefit the mission of the entire diocese.

Expenditures

Episcopacy

The episcopacy budget supports the bishop’s compensation; expenses necessary to the office; and the Diocese of Chicago’s mandatory 15% assessment to support the budget of the Episcopal Church. It also accounts for the compensation of the bishop’s executive assistant and chaplain, and in 2024, has expanded to include the new position of canon to the ordinary and chief of staff, which has been transferred from the ministries section of the budget. In addition, the bishop’s chaplain, currently a half-time position, will become a three-quarter-time position in 2024.

Other changes in the episcopacy budget include an increase in travel and related expenses; a reduction in the budget for large events; and a reduction in our assessment to the Episcopal Church based on our 2022
income. All dioceses in the Episcopal Church are required to pay a 15% assessment on diocesan income for the year before last, less an exemption of $200,000.

In keeping with these changes, the episcopacy budget for 2024 will increase by $226,159.

**Ministries**

The ministries team, led by the Rev. Canon J. Sierra Reyes, provides lay and clergy leadership development programs, including the College for Congregational Development; supports congregations during transitions; helps to place and orient new clergy; assists in times of difficulty; and supports youth and campus ministry, including Camp Chicago.

In 2024, the ministries compensation budget will decrease by $210,879 due to the director of ministries position being eliminated in favor of a canon to the ordinary/chief of staff position that is now included in the episcopacy budget. In addition, the associate for youth and campus ministries position, included in the 2023 budget but not yet filled, has been budgeted to be part-time.

We have also budgeted for less support for campus ministry in 2024. The board of the Grace Place/NIU campus ministry is exploring a new definition for the program that would include young adult ministry. Similarly, the Metro Chicago Synod is exploring a redefinition of the South Loop campus ministry. The future of the Canterbury Northwestern ministry is also uncertain.

Changes in the way the Commission on Ministry expenses are accounted for has resulted in a reduction in that line item in the 2024 budget but are not expected to affect the commission’s work.

The College for Congregational Development 2024 budget includes funds to support the weeklong version of the program. A potential weekend version in the Peoria Deanery will be supported in part by extra-budgetary funds recovered in property lawsuits and set aside for the benefit of the Peoria Deanery.

Overall, the ministries budget for 2024 will decrease by $369,503.

**Networking and Development**

Canon for Networking Crystal Plummer and her team oversee community outreach and communications. In 2024, this budget will decrease by $116,966, primarily because the director of development position—budgeted but not filled in 2023—has been transferred to a separate area of the budget, outlined below. Other changes to the 2024 networking budget reflect reduced plans for print communication, increased need for Spanish interpretation and translation, and funds allocated for mission and ministry to address Bishop Clark’s priorities of violence prevention; equity and equality; hunger; and creation care.

In 2024, Bishop Clark plans to hire a director of development to focus on increasing gifts and grants to the diocese’s operating budget, endowments, and other funds. The 2024 development budget includes just under $200,000 to support a new director’s salary and benefits as well as various anticipated fundraising expenses.
Administration and Finance

Canon for Administration Anna Stefaniak manages human resources, St. James Commons operations, property management, risk management and support for the Bishop & Trustees, while Comptroller Rebecca Elfring-Roberts oversees accounting and financial reporting. In 2024, the budget for these areas is reduced by more than 23%, based on the assumption that the 2024 diocesan convention will be held online, that the Nicholas Center will remain closed, and two staff positions budgeted but unfilled in 2023 will be eliminated.

St. James Commons

This portion of the expense budget reflects the cost of operating the physical plant of St. James Commons. In 2024, this area of the budget will remain essentially flat.

Contributions

Income from Congregations

About half of the diocese’s operating income comes from annual common mission share pledges. Our guidelines ask each congregation to pledge between 11% and 15% of its normal operating income to support our common life. In 2024, we project that pledges will total $1,964,439: a 9.3% decrease from the 2023 budget. This trend is in keeping with 2023 projected pledge income, which is lower than budgeted. We anticipate that common mission share pledges will continue to trend down as congregations reckon with post-pandemic attendance and giving patterns.

Income from Bishop’s Funds

The Bishop’s Funds, created in 1853, and formally known as The Bishop of Chicago and His Successors in Office Funds Account, is a collection of funds to benefit the diocese, its congregations and agencies and is held separate from the Diocese’s operating endowment. In 2024, we will draw $559,440, or 10%, from the Bishop’s Funds available to fund operating expenses. $140,000 of that amount is income, while $459,440 is corpus. The continued use of these funds to balance the budget will deplete the corpus by 2030.
**Income from the Endowment**

The diocesan endowment, begun in 1898, comprises funds donated to the diocese for its ongoing support. According to its spending policy, the withdrawals from the endowment cannot exceed 4.5% of a 60-month trailing average (i.e. 4.5% of the average of the fund’s value over the past five years). The general endowment funds available to support the diocesan budget were valued at $3.61 million on September 30, 2023.

For 2024, the general endowment fund will grant $162,749 to support the diocese’s operating budget and the Fund for the Episcopacy, which now totals $2.49 million, will contribute $112,953 to support the Office of the Bishop, for a total of $275,702 in endowment income.

The Trustees have approved an additional $344,364 in extraordinary grant funds to close the budget deficit projected for 2024 with the expectation that they will be repaid with funds available after the sale of the diocesan headquarters at 65 E. Huron.

**Pass Through Contributions**

We receive pass-through income from a variety of offerings and appeals to support our companion dioceses in Renk, South Sudan, and Southeast Mexico. We also manage funds for Province V of the Episcopal Church and the Clergy Relief Society, a fund that supports retired clergy and their spouses.

**Income from Bishop & Trustees**

The Bishop & Trustees are an elected body that holds title to and oversees the use of the real property of the mission congregations of the diocese and also hold title to St. James Commons. They approve the diocesan budget as well as purchases, sales, and construction projects involving mortgages and real estate. The funds that the Bishop & Trustees can contribute to the diocesan operating budget fluctuate with the revenue it receives from property sales; their practice is to contribute 10% of net proceeds to the operating budget. In 2024, we do not anticipate any income from the sale of property. However, in 2024, the Bishop & Trustees will make an extraordinary grant of $250,000 to close the operating budget gap.

The Bishop & Trustees income listed on the budget under “Other Support and Revenue” includes $275,000 in funds from its corpus that are available for congregational vitality grants. These funds are essential to the vitality of our congregations and are restricted for this use. An additional $223,759 is reserved for capital needs and repairs at mission congregations.

**Income from Building & Administration**

The costs of operating St. James Commons and some administrative services are shared with St. James Cathedral and Episcopal Charities, which are housed at 65 E. Huron. The diocesan operating budget subsidizes their space use as part of our common mission, and in 2024, we expect income in this line to remain flat.
**Bishop’s Appeal**

We project that the 2023 Bishop’s Appeal will raise $106,624. Although the spring 2023 appeal resulted in fewer contributions than usual, and we are projecting that appeal income in 2023 will be less than budgeted, we anticipate that the addition of a development director to the bishop’s staff will increase contributions.

**Program and Other**

This income includes revenue from diocesan program fees and registrations as well as distributions from the Idwal Hughes Trust, a gift given to the diocese in 2018. In 2024, we anticipate receiving approximately $188,000 from the trust.

To learn more about the budget, contact:

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