



THE EPISCOPAL DIOCESE OF MONTANA

July 25, 2018

THE RT. REV. C. FRANKLIN BROOKHART, JR., D. MIN., BISHOP

Dear Clergy, Treasurers, Wardens and Convention Delegates,

Last year at Diocesan Convention we were presented with a budget with a significant deficit. To make up the approximately \$35,000 needed to balance that budget, it was decided to have a voluntary asking of 4.5% of a church's assessment. Unfortunately, this has not been successful. Of the thirty-four churches in our diocese, only twelve have opted to give the extra assessment. We are now in a position in which we must draw heavily from our investments to make up the short fall. The Diocesan Council and the Finance Dept. are asking you to please reconsider and add this voluntary giving to your assessment for the rest of the fiscal year. It won't make up the loses we have already incurred, but it will help us get through the year in better standing financially.

This brings us to our 2019 budget. In order to fund this new budget with all the programs needed to be a viable church in our time, and to finance our search for a new bishop, we would have had an approximately \$80,000 shortfall. The Finance Dept. labored over this budget long and hard, with Canon Barb Hagen scrambling to find some way to make up this significant shortfall. It was finally decided by the Finance Dept. that it was necessary to examine alternative methods of assessing the operating income of our parishes. After much prayerful deliberation, we finally decided on an idea, which we brought before Diocesan Council. After a Christ centered, civil, and reasonable debate, the Diocesan Council decided to adopt this new process. This assessment method is one that is used by many other Episcopal dioceses. It involves using an average of the last three years of a church's operating income according to their parochial report. This average is then used as each individual church's operating income for that year, which is then assessed 19%. Each church will then have a monthly assessment payment that stays the same throughout the year. Using this new method, we were able to come much closer to a balanced budget, and then, with a few cuts here and there, we were able to finally come up with a balanced budget.

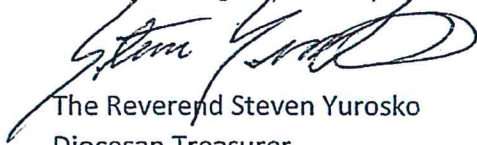
So, what are the advantages and disadvantages of this method? The advantages are easy to describe. For the diocese, it provides the funds to carry out the programs needed for us to serve the entire diocese. Examples of how the diocese has done this for individual churches over the years are listed below, giving us the opportunity to operate from a life affirming position of abundance rather than scarcity. For the diocese, and for the individual churches, it gives us all a better way to budget each year, as we now will know exactly what we will be paying monthly and can budget accordingly.

Probably the first argument against this method will be that some of us will be paying more. Another, which is probably more important, is what happens if a church has a bad year income

wise, i.e. they lose a major giver. However, if this should happen, rest assured that the Diocese will work with any congregation, just as a congregation would work with any member who comes upon a shortfall in their finances. If you bring the shortfall to the attention of diocese we will work with you to come to a viable solution to the problem, whatever that may be. The Diocese is always here to help whenever and however it can. For example, since 2008, the diocese has given \$324,020.48 in grants and \$160,918.65 in interest free loans for a total of \$484,939.13 to help parishes with a variety of needs, from emergency building maintenance, to new and exciting mission ventures. Eighteen of our 34 churches have benefited from grants and loans from the diocese.

As I have stated above, the Finance Dept. and the Diocesan Council, did not take this decision lightly, but deliberated long and prayerfully to go ahead with this new method of assessment. Our hope is that you, too, will be open to this new method and help us move into the future trusting in our Risen Lord. If you have any questions you can contact me at the information below.

God's blessing to each of you

A handwritten signature in black ink, appearing to read "Steven Yurosko", written over a horizontal line.

The Reverend Steven Yurosko
Diocesan Treasurer

revsteven727@gmail.com

406.407.3580