



Diocese of the
MID-ATLANTIC
Anglican Church in North America

October 16, 2014

To the Rectors, Clergy, Senior Wardens and Lay Leaders in Charge,

Dear Friends in Christ,

Greetings in the Name of Jesus Christ, the only Lord and only Savior of the world!

As we conclude our third year as a diocese in the Anglican Church in North America, we continue to have so very much for which to give thanks to the Lord. The Gospel is faithfully preached and taught, Jesus Christ is shared in neighborhoods and offices and classrooms, new churches are being planted, lives are being healed and transformed.

New Basis for Churches' Giving to the Diocese

The practice in the Anglican District of Virginia—the structure under which we functioned prior to the formation of the Diocese of the Mid-Atlantic in 2011—was to determine the needed budget for the coming year and then allocate the budget among the churches based on their Average Sunday Attendance (ASA). When the Diocese of the Mid-Atlantic was formed, this practice was carried over and we have operated on that basis for the past three years.

However, we have come to see that there are several serious drawbacks to this method:

1. The ACNA Constitution and Canons says that giving should be on a percentage basis, with ten percent as the voluntary norm: 10% from parishioner to local church; 10% from local church to diocese; and 10% from diocese to the Province. Here in the Diocese of the Mid-Atlantic, we have agreed that 10% from church to diocese is too much—we want to keep more of the resources as the local level, since the local church is the primary agency for mission. But by basing our giving on ASA, we have ignored the canonical direction to base our giving on a percentage of church income.
2. The second drawback is that the ASA calculation is based on two-year old numbers. The 2014 asking of each church was based on the churches' 2012 attendance figures, which was the last year for which we had numbers. That means that churches that have declined in size due to loss of property or other challenges are asked for a contribution based on their former larger size—which is insensitive to a church that's going through a difficult period. And at the same time, churches that are growing and more able to contribute are asked to give based on their former smaller size.
3. The third drawback is that asking for money based on the number of people created significant inequities. Churches that have more children were hit the hardest because the ASA calculation makes no distinction between a young child and a contributing adult. Some of our churches are more than 50% children and so our asking was usually a much higher percentage of their income. In fact, the diocesan

asking as a percentage of church's income varied tremendously. The effective percentage we were asking for ran from just 2% of some churches' income to 32% of one church's income—and that church closed!

Until the Standing Committee started to look at this, we had no idea that the ASA model was creating these sorts of problems and inequities.

The alternative that the Treasurer and Standing Committee are putting before you for 2015 asks all the churches for the same percentage of their operating income: 4.1%.

To keep the overall size of next year's diocesan budget about the same as it is now, for 2015 we are asking each church to contribute 4.1% of that church's 2015 operating income (not including capital funds or other designated funds). We would ask churches to contribute 4.1% of their income each month or each quarter. Contributions to the diocese would therefore go up or down along with the churches' income.

The biblical principle is that each one should give as he is able to give, and from the one to whom much is given, much is required. We believe that this model more fully reflects the teaching of Scripture and more equitably engages all our churches in the mission of the Diocese.

We would ask you to complete and return the attached 2015 pledge form no later than January 15, 2015. Please note that it asks for a pledge as a percentage of your church's 2015 operating income, and also an estimate of that pledge in dollars. The latter, of course, enables the Standing Committee to do its budgetary planning.

Changes in Church Planting Leadership

We have been greatly blessed to have the Rev. Clancy Nixon serve as chair of our Great Commission Committee since our Diocese was formed. He has given visionary leadership to our work of church planting and we have seen tremendous fruit, with many new churches planted or in progress. As a result, Clancy has come to see that the responsibility of leading our church planting effort has outgrown the time that he, as a rector of a parish (that itself is planting three churches!), can devote to it. I certainly understand that priority and I am thankful that Clancy will continue to be actively involved in coaching and other church planting efforts of our Diocese.

In praying about this and consulting with others, it has become clear to me that we need to restructure our church planting leadership team. The Rev. Tom Herrick has been working for the Great Commission Committee on a contract basis through the Titus Institute for Church Planting, of which Tom is Executive Director. With the approval of the Standing Committee, I am now calling Tom to join our diocesan staff as our part-time Canon for Church Planting and to take leadership of our church planting work. Because we will be hiring Tom directly rather than contracting with a separate organization, we will be getting much more of his time for the same money we have been spending. Details are still being worked out, but I expect Tom will be working with us three days per week. Like the contract with the Titus Institute, Tom's compensation will come from the funds allocated to the work of the Great Commission Committee. This will cause no increase in the 2015 budget, but the funds that had previously been spent by the Great Commission Committee for Tom's work through the Titus Institute contract will be moved to the payroll category, since Tom will be on diocesan staff.

Tom brings a wealth of experience to us. He was the founding planter of Christ the Redeemer in Centreville and has consulted with numerous dioceses and new plants across the country. He designed

and teaches in the church planting doctoral program at Gordon-Conwell seminary. He is one of the few Anglicans trained to offer professional-level assessments of prospective church planters and boot camps for church planting teams. He has tremendous passion for our Diocese and its mission and I'm thrilled that he will be taking on this new role.

2015 Budget Considerations

We continue to hold diocesan operations to a minimum, because the Constitutions of both the Anglican Church in North America and our diocese state that the fundamental agency of mission is the local church. This means that the diocese functions to support its member churches, not the other way around. The Standing Committee and Finance Committee are committed to keeping the diocesan office efficient, flexible and responsive to you.

The proposed 2015 budget for the Diocese of the Mid-Atlantic is attached. Key elements include:

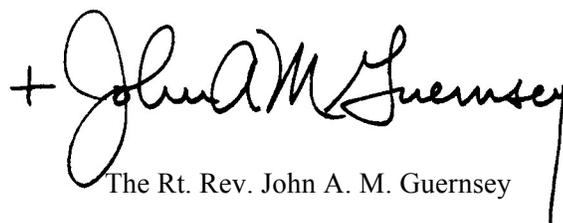
- continuing our support of the Anglican Church in North America at 10% of budget;
- providing a cost of living increase of 2% to all staff;
- reducing "Diocesan Policy Training and Support" because our Protection of Children Policy is now in place; and because we have not yet been able to begin work on our training program to prevent adult sexual misconduct;
- putting in half of the funding for our planned clergy and spouses retreat in April, 2016, the remainder to be in the 2016 budget;
- receiving \$12,000 from the Anglican Church in North America to offset the time which I will be devoting to my role as Dean of Provincial Affairs. This \$12,000 will be spent for consultants, who can be called upon to fill in for me when I might be called away.

We are again building in a small reserve of \$30,000 to allow for unexpected needs or in the event of a potential shortfall in pledges, but the Standing Committee will monitor the budget carefully throughout the coming year and make any adjustments as may be necessary.

I am so thankful for your leadership and our partnership in the Gospel. Please continue to pray that all we do will be for the honor of our Lord Jesus Christ and for the spread of His Kingdom.

"The point is this: whoever sows sparingly will also reap sparingly, and whoever sows bountifully will also reap bountifully. Each one must give as he has decided in his heart, not reluctantly or under compulsion, for God loves a cheerful giver. And God is able to make all grace abound to you, so that having all sufficiency in all things at all times, you may abound in every good work." 2 Corinthians 9:6-8

Faithfully yours in Christ,

+ The Rt. Rev. John A. M. Guernsey



		2015		
Operating Income:		2014	Proposed	Difference
Operating Income	Churches	\$ 856,884	\$ 866,977	\$ 10,093
	ACNA	\$ -	\$ 12,000	\$ 12,000
Total Operating Income		\$ 856,884	\$ 878,977	\$ 22,093
Designated Expenses:				
Outreach	ACNA Contribution	\$ 85,600	\$ 88,000	\$ 2,400
Total Outreach		\$ 85,600	\$ 88,000	\$ 2,400
Church Planting/Assistance	Great Commission Committee	\$ 210,000	\$ 137,453	\$ (72,547) ¹
Total Planting/Assistance		\$ 210,000	\$ 137,453	\$ (72,547)
Travel	Bishop's Travel/Expenses	\$ 35,000	\$ 35,000	\$ -
	Staff Travel/Expenses	\$ 5,000	\$ 5,000	\$ -
Total Travel		\$ 40,000	\$ 40,000	\$ -
Program	Conferences, Meetings and Special Events	\$ 16,000	\$ 16,000	\$ -
	Diocesan Policy Training and Support	\$ 12,000	\$ 5,000	\$ (7,000)
	Ministry Safe	\$ 500	\$ 500	\$ -
	Provincial Councils and Assemblies	\$ 14,000	\$ 10,000	\$ (4,000)
	Clergy and Spouses Retreat	\$ 23,000	\$ 16,500	\$ (6,500)
Total Program		\$ 65,500	\$ 48,000	\$ (17,500)
Payroll	Cash Compensation	\$ 247,793	\$ 320,141	\$ 72,348
	Housing/Utilities	\$ 42,723	\$ 43,578	\$ 854
	Pension and Healthcare	\$ 68,165	\$ 73,026	\$ 4,861
	FICA/SECA	\$ 22,225	\$ 27,825	\$ 5,600
Total Payroll		\$ 380,907	\$ 464,570	\$ 83,663
Contractors	Consultants	\$ -	\$ 12,000	\$ 12,000
	Chancellor	\$ 10,000	\$ 10,000	\$ -
	Accounting/Audit	\$ 10,000	\$ 10,000	\$ -
Total Contractors		\$ 20,000	\$ 32,000	\$ 12,000
Administrative	Bank Fees	\$ 500	\$ 500	\$ -
	Building Usage Fee	\$ 12,000	\$ 12,000	\$ -
	Computer Hardware, Software, and Support	\$ 3,359	\$ 4,300	\$ 941
	Website and Database services	\$ 4,641	\$ 5,500	\$ 859
	Liability Insurance	\$ 3,500	\$ 3,600	\$ 100
	Contingency/Miscellaneous	\$ 18,823	\$ 30,000	\$ 11,177
	Office Furnishings	\$ 300	\$ 1,300	\$ 1,000
	Office Supplies	\$ 5,000	\$ 5,000	\$ -
	Postage/Copying	\$ 1,755	\$ 1,755	\$ -
	Telephone	\$ 5,000	\$ 5,000	\$ -
Total Administrative		\$ 54,878	\$ 68,955	\$ 14,077
Total Expenses		\$ 856,884	\$ 878,977	\$ 22,093

¹ Funds spent by the Great Commission Committee in 2014 for Tom Herrick's contract work through the Titus Institute have been moved to the payroll category in the 2015 budget to reflect Tom's role as a member of the diocesan staff.



Diocese of the
MID-ATLANTIC
Anglican Church in North America

2015
Pledge to the Mission
and Ministry
of the Diocese of the Mid-Atlantic

We, _____, _____
Church Name City

hereby pledge to support the Diocese of the Mid-Atlantic

with a financial contribution of _____% of our operating income for 2015.

We estimate this to be an approximately \$_____.

All glory and praise to our Lord Jesus Christ!

Rector

Senior Warden

Date

Please return form to the Diocese of the Mid-Atlantic, 14851 Gideon Drive, Woodbridge, VA 22192
Fax: 703-590-3269