

**Report to the Diocesan Council
Concerning the Fair Share Ask
of the Proposed 2009 Operating Budget
to be presented to the Annual Convention in October 2008**

It has been the policy of the Finance Committee and the Diocesan Council that the annual fair share ask should not rise faster than the percentage rise from year to year in reported parochial NDBI. In several years the ask has not risen at all or has risen less than the NDBI, giving an overall result that support of the diocese has been a steady or declining percentage of parochial NDBI in this diocese.

In addition to that trend, Diocesan Council significantly reduced its ask several years ago. The ask in 2008 was \$1,010,804 with three-year average parochial NDBI of \$8,489,306, or an aggregate burden rate of 11.907%. (Historically the aggregate burden rate has been around 14%).

Because the formula is based on a three year average and favors the first \$40,000 in NDBI, the affect and percentage varies from congregation to congregation based on its income trend and size. (The burden rate is lower on small congregations and growing congregations and higher on large congregations and congregations with declining NDBI.) Suggestions to adjust the fair share formula to make it more "fair" have been proposed but not approved.

It is being recommended to keep the burden rate at the 2008 level of 11.907%, which is another way of saying to increase the ask by the same percentage as the increase in reported NDBI. Last year there was no increase (even though there was an increase in NDBI. The failure to increase the ask resulted in less revenue because, in part, some of the congregations reporting increased revenue did not respond with a full fair share pledge while the formula reduced the ask to others, who responded with a lower pledge. As a result, Diocesan Council had to eliminate \$25,000 in program funds pending the success of an appeal for more funds.

This year we expect to face the same situation; some congregations have reported an increase in parochial NDBI but they may, through inability or unwillingness, respond with a less than asked for increase in support. The recommended increase in ask is designed to produce a result in support of congregations equal to the cost of the program which was proposed last year after adjustment of salaries for cost of living (originally estimated at 3.5%, later revised to 4.4%) and medical premiums for a projected increase of 15%. Other line items which adjust for income (support of the national church and MDG's) have not been adjusted because it is expected net income will not rise significantly between 2008 and 2009 after pledges are received.

Since pledging is voluntary, the projections are informed guesses.

The fair share as proposed has a varying impact on the various congregations. About 45 have a reduced fair share or an increase of under \$500. Nine experience an increased ask of over \$2000. Of the nine which experience an increased ask of over \$2,000, eight have increased average NDBI over last year's average; the ninth has not filed its current report and an estimate of its 2007 NDBI has been made in accord with our usual policy for unfiled reports.

2009 BUDGET ALLOCATIONS FOR FUNDING THE MISSION

Using the Convention-approved "fair share" system

Approved by Diocesan Council June 2008 meeti

| | 2009 Fair Share | 2009 Extra Mile | 2008 Fair Share | 2008 Actual Pledge |
|-----------------------------|--------------------|--------------------|--------------------|-----------------------|
| ALBION Christ Church | \$9,216 | \$9,493 | \$10,082 | \$4,000 |
| ALDEN St. Aidan's | \$3,125 | \$3,219 | \$3,124 | \$3,124 |
| AMHERST All Saints | \$7,167 | \$7,382 | \$7,006 | \$7,260 |
| ANGOLA St. Paul's | \$3,119 | \$3,213 | \$3,072 | \$3,164 |
| ATTICA St. Luke's | \$8,849 | \$9,114 | \$9,020 | \$9,020 |
| BATAVIA St. James' | \$25,142 | \$25,896 | \$24,287 | \$15,000 |
| BUFFALO Ascension | \$7,936 | \$8,174 | \$5,258 | \$5,416 |
| Ephphatha | \$620 | \$639 | \$636 | \$720 |
| Good Shepherd | \$24,632 | \$25,371 | \$23,118 | \$23,118 |
| St. Andrew's | \$16,052 | \$16,533 | \$16,308 | \$16,797 |
| St. John's-Grace | \$29,976 | \$30,876 | \$27,972 | \$28,811 |
| St. Jude's | \$3,745 | \$3,857 | \$3,745 | \$3,864 |
| St. Mark's | \$6,984 | \$7,193 | \$6,981 | \$7,190 |
| St. Matthew's | \$2,848 | \$2,934 | \$2,938 | not rec'd |
| St. Michael's | \$10,919 | \$11,246 | \$12,466 | \$3,500 |
| St. Paul's | \$129,540 | \$133,427 | \$83,258 | \$70,000 |
| St. Philip's | \$22,480 | \$23,155 | \$19,492 | \$19,492 |
| St. Simon's | \$19,785 | \$20,379 | \$18,968 | \$18,968 |
| Trinity | \$81,144 | \$83,578 | \$80,140 | not rec'd |
| CHEEKTOWAGA St. Patrick's | \$4,855 | \$5,001 | \$5,525 | \$5,700 |
| DUNKIRK St. John's | \$2,786 | \$2,870 | \$2,479 | \$2,479 |
| EAST AURORA St. Matthias' | \$26,985 | \$27,795 | \$24,904 | \$24,904 |
| EGGERTSVILLE St. Peter's | \$7,887 | \$8,124 | \$7,675 | \$7,675 |
| ELLCOTTVILLE St. John's | \$872 | \$899 | \$902 | \$929 |
| FORESTVILLE St. Peter's | \$675 | \$695 | \$662 | \$100 |
| FRANKLINVILLE St. Barnabas' | \$1,077 | \$1,109 | \$963 | \$992 |
| FREDONIA Trinity | \$18,309 | \$18,858 | \$15,726 | \$15,726 |
| GOWANDA St. Mary's | \$2,332 | \$2,402 | \$3,288 | \$3,386 |
| GRAND ISLAND St. Martin's | \$18,359 | \$18,909 | \$16,989 | not rec'd |
| HAMBURG Trinity | \$26,781 | \$27,584 | \$25,245 | \$23,000 |
| HARRIS HILL St. Paul's | \$26,719 | \$27,520 | \$26,405 | \$27,956 |
| HOLLEY St. Paul's | \$3,984 | \$4,103 | \$4,006 | \$4,127 |
| IRVING Good Shepherd | \$698 | \$719 | \$649 | \$649 |
| JAMESTOWN St. Luke's | \$63,582 | \$65,490 | \$60,829 | \$62,653 |
| KENMORE Advent | \$30,321 | \$31,230 | \$30,088 | \$13,250 |
| LAKEVIEW Holy Communion | \$9,295 | \$9,573 | \$9,241 | \$4,800 |
| LANCASTER Trinity | \$10,268 | \$10,576 | \$10,138 | \$6,000 |
| LEROY St. Mark's | \$19,646 | \$20,235 | \$17,420 | \$17,420 |
| LEWISTON St. Paul's | \$13,826 | \$14,241 | \$14,225 | \$14,225 |
| LOCKPORT Christ Church | \$17,868 | \$18,404 | \$16,677 | \$8,339 |
| Grace | \$17,360 | \$17,881 | \$20,199 | \$20,199 |
| MAYVILLE St. Paul's | \$12,308 | \$12,678 | \$11,276 | \$3,000 |
| MEDINA St. John's | \$6,707 | \$6,908 | \$7,350 | \$1,464 |
| BURT St. Andrew's | \$13,399 | \$13,801 | \$13,295 | \$13,694 |
| NIAGARA FALLS - NFEUM | \$9,335 | \$9,615 | \$10,567 | \$10,800 |
| St. Stephen's | \$12,886 | \$13,273 | \$13,440 | not rec'd |
| N.TONAWANDA St. Mark's | \$20,572 | \$21,189 | \$20,168 | \$11,000 |
| OAKFIELD St. Michael's | \$1,749 | \$1,802 | \$1,706 | \$1,706 |

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Approved by Diocesan Council June 2008 meeti

| | 2009 Fair Share | 2009 Extra Mile | 2008 Fair Share | 2008 Actual Pledge |
|--------------------------|--------------------|--------------------|--------------------|-----------------------|
| OLEAN St. Stephen's | \$20,421 | \$21,033 | \$16,937 | \$16,937 |
| ORCHARD PARK St. Mark's | \$31,379 | \$32,320 | \$30,879 | \$30,879 |
| PERRY Holy Apostles' | \$1,530 | \$1,576 | \$1,292 | \$1,380 |
| RANDOLPH Grace | \$7,109 | \$7,322 | \$7,136 | \$6,000 |
| SALAMANCA St. Mary's | \$11,945 | \$12,303 | \$11,804 | not rec'd |
| SILVER CREEK St. Alban's | \$921 | \$949 | \$885 | \$912 |
| SPRINGVILLE St. Paul's | \$8,819 | \$9,084 | \$8,484 | \$3,100 |
| STAFFORD St. Paul's | \$2,815 | \$2,900 | \$2,658 | not rec'd |
| TONAWANDA St. Bart's | \$84,730 | \$87,272 | \$77,121 | \$1,500 |
| WARSAW Trinity | \$1,690 | \$1,741 | \$1,754 | \$1,806 |
| WEST SENECA St. David's | \$9,528 | \$9,814 | \$9,618 | not rec'd |
| WESTFIELD St. Peter's | \$15,846 | \$16,322 | \$15,374 | \$2,500 |
| WILLIAMSVILLE Calvary | \$66,050 | \$68,031 | \$66,517 | \$68,512 |
| WILSON St. John's | \$4,239 | \$4,367 | \$4,288 | \$3,850 |
| YOUNGSTOWN St. John's | \$5,881 | \$6,057 | \$6,149 | \$6,149 |
| | \$1,087,624 | \$1,120,253 | \$1,010,804 | \$689,142 |
| % change from prior year | 7.6% | | | -14.0% |

x=estimated

a=amended