TREASURER’S REPORT
Year ended December 31, 2014

I am pleased to report that Fiscal year 2014 ended on budget mainly because of strong expense control and better than expected pledge income. Despite this result, and given the state of the national economy, it remains prudent to continue the conservative budgeting approach that has been diocesan policy over the past several years.

Through continued careful management of expenses and with the full expectation that parish pledges come in for the balance of the year as expected, we expect the 2015 Budget of Convention to be balanced. Special thanks go to our financial staff, to Louis Fuertes our Canon for Finance and Administration, and our Controller, Melinda Lane, both of whom have worked very hard to assure the integrity of the financial statements and in developing the Convention Budget for 2016. We are also blessed to have an Assistant Treasurer of the Diocese, Sandra Lynch, who is currently serving as Director of Finance and Administration at the Yale Divinity School. Sandra and I will be working as a team to sustain and strengthen the financial health of the Episcopal Church in Connecticut.

The preparation process for the fiscal year 2016 Convention Budget was under the capable leadership of Barbara Curry, Chair of the Program and Budget Committee with support from Canon Fuertes and the financial staff. Using the 2015 Budget of Convention as a base, the Committee held a series of meetings and was able to construct a proposed balanced Budget of Convention for 2016. The proposed 2016 budget is based on estimates of support from parishes based on the requirement that parishes contribute a minimum of 10% of their operating expenses annually to the Budget of Convention and increased utilization of financial capacity provided by Missionary Society endowment funds. Expenses are budgeted to increase from 2015 to reflect modest changes in support staff and a cost of living increase for staff; continued support for programs of the Episcopal Church in Connecticut; new initiatives to support the recommendations of the TREC-CT study and to promote missional initiatives outside the walls of our parishes. The proposed budget also includes a contingency line of approximately five percent (ten percent of non-staff-related expenses).
During the year, the financial control over discretionary and fixed costs was exemplary. In addition, research by the financial staff resulted in major changes to the budgeting process and the way the budget is presented that includes significantly more transparency, clarity in the use and sources of funds, and an improved format. In addition, the bishops and staff continue to evolve and refine the structure and purposes of the Episcopal Church in Connecticut staff to assist the work of the parishes in carrying out God's Mission.

I personally continue to feel blessed to be a part of this process, all of which takes place in a faithful and collegial atmosphere and with a growing understanding of God's Mission and our common life together as the Episcopal Church in Connecticut.

Respectfully Submitted,

Lynn Alan Brooks, Treasurer