



2018 Budget Report

Western PA Annual Conference



The 2018 Budget

- 1. The proposed budget before you has been prepared to provide a reasonable level of funding for all areas.**
- 2. The plan is to maintain a budget consistent with the 2017 Budget.**
- 3. The only exception is a slight increase in the total Budget to provide for 100.0% support of General Church and Jurisdiction Apportionments.**
- 4. Our 1st benevolent responsibility through the Discipline is to provide 100.0% of the General Church Apportionment. We have a track record, now, of supporting the General Church at 100.0% for six consecutive years.**

Proposed 2018 Budget

- 1. The proposed budget for 2018 is \$9,742,753 compared to the 2017 approved budget of \$9,682,164.**
- 2. The increase of \$60,589 compares to a \$62,142 increase in General Church and Jurisdiction Apportionments.**
- 3. The Personnel Team Study, presented yesterday, confirmed that staffing levels of the Conference are appropriate.**
- 4. The Apportionment Study, presented yesterday, determined that our current model for distribution of the budget is our best alternative.**

Budget Categories

- Looking at the Budget segmented into three categories.
 - Variable, Semi-Fixed and Fixed Costs.
- Following are these categories of budget.
 - **Variable Costs** 24.7% or \$2.4 million
 - Includes all Mission and Ministry programs.
 - **Semi-fixed Costs** 8.6% or \$0.8 million
 - Includes Sessions, Trustees and Board of Ministry.
 - **Fixed Costs** 66.7% or \$6.5 million
 - Includes General and Jurisdictional Apportionments, Equitable Compensation, Legal and Audit Fees, Computer System and Conference Staff related costs for Program, Finance and Administration and the Episcopal Office.



2018 Proposed Budget Highlights

- **If you would like to follow along with the narrative please turn to Pages 420 through 437.**



2018 Proposed Budget Highlights

- **Connectional Nurture Ministry Team – No change in budget from 2017**
 - **Board of Ministry increased by \$7,000 to provide added support for Ministerial Education and the Coordinator of Ministry Services**
 - **Camping grew by \$5,000 adding funds to Laity and Clergy Leadership Development**
 - **Episcopacy reduced maintenance and general expenses on the Episcopal residence by \$10,000**
 - **Youth Ministry increased by \$6,000 to enhance overall youth programming**



2018 Proposed Budget Highlights

- **Connectional Nurture Ministry Team – continued**
 - **Clergy Excellence plans decreases in Clergy Coaching of \$11,000 and Clergy Peer Learning of \$13,000 offset by increases in Continuing Education and Lay Leadership Development for and overall drop of \$14,700 in funding.**
 - **Annual Conference Sessions increased by \$5,000 to a total budget of \$325,000**
 - **Planned Equitable Compensation was set at \$211,850 down \$2,150**



2018 Proposed Budget Highlights

- **Connectional Outreach Ministry – down \$141,500**
 - **Ethnic Local Church Concerns dropped by \$44,000 primarily in Ethnic Church plants as the Urban Ministry Fund saw significant growth from which funding for plants will be drawn.**
 - **The Global Health Initiatives budget of \$175,000 in 2017 was eliminated for 2018. A portion of this funding has been transferred to Global Ministries to move forward with Conference to Conference Mission Relationship and Global Partnerships.**



2018 Proposed Budget Highlights

- **Connectional Outreach Ministry – continued**
 - **Global Ministries is up by \$74,000 due to a \$129,000 plan to fund Mission Relationships and Global Partnerships offset by other reductions.**
 - **The Poverty Team budget increased by \$4,000**



2018 Proposed Budget Highlights

- **Connectional Witness Team – Down \$47,000**
 - **Conference publications declined by \$45,000, offset partially by an increase of \$15,000 in web-site and software upgrade expenditures as communications continue to shift toward paperless means**
 - **Evangelism fell approximately \$19,000 led by a decrease of \$16,000 in General Evangelist expense**
 - **Other changes within the Witness Team were less than \$10,000**



2018 Proposed Budget Highlights

- **Connectional Ministry Support – Up \$189,000**
 - **District Superintendent and Cabinet expense increased by \$20,000, a 1.1% increase**
 - **Bishop's Leadership Initiatives are \$5,000 lower than 2017. There are a number of changes and I ask you to refer to pages 435 and 436 to review this section.**
 - **Expenses to maintain the Conference Center rose \$10,000 or 4.0%**



2018 Proposed Budget Highlights

- **Connectional Ministry Support – continued**
 - **The largest increase in this category was in total staff compensation, which rose 9.2%.**
 - **Average salary increases of 3% coupled with the impact of the new insurance premiums resulted in approximately a +7.5 % impact.**
 - **Additional budget costs needed to replace funding from Believe Again Carryover which has been fully utilized caused this category to increase by 3.0%**
 - **Redistribution of salaries from mission and ministry budgets accounts for a 6.0%. These costs are offset by like reductions in the Programming budgets.**



2018 Proposed Budget

- **This completes a brief review of changes in the 2018 Budget changes compared to 2017.**
- **Thank you Bishop for the opportunity to share this information.**
- **Rev. Jeff Sterling will now bring the report from Finance Section 4.**