

# Mountain Sky Conference of The United Methodist Church

## Financial Commentary to the 2019 Annual Conference

### What were financial highlights for the year ended Dec. 31, 2018?

The new Mountain Sky Conference experienced a net loss of \$366,075 for the year.

The aggregate revenue in 2018 was \$6,122,000, or 8% below budget.

We do celebrate the payment of our general and jurisdictional apportionments at 100%. This was an accomplishment shared by 24 of 56 U.S. United Methodist annual conferences.

The ability to sustain the mission and ministry of the Mountain Sky Conference is due to the generosity of all our churches and members. The amount paid by each church in 2018 can be found online at [www.mtnskyumc.org/statsmissionshares](http://www.mtnskyumc.org/statsmissionshares). The Council on Finance and Administration (CF&A) especially recognizes and thanks the 191 churches in both legacy conferences that met their giving commitments in full. These churches are listed online at [www.mtnskyumc.org/ac2019reports](http://www.mtnskyumc.org/ac2019reports).

### What is our revenue projection for the year 2019?

The 2019 revenue budget approved by the Annual Conference is \$6,655,000. Through May 31 we received \$2,760,053 in Mission Shares, which is 41% of the budget. CF&A has decided to pay our General and Jurisdictional apportionments at a level below 100% for the next several months. This is due to the losses we absorbed in 2018, and our belief that our giving to the General Church and Jurisdiction needs to be consistent with what we receive in Mission Shares. CF&A expects a shortfall in budgeted Mission Shares in 2019 and will continue to monitor revenue and expenses and make adjustments as necessary.

### What are key assumptions in the 2020 budget?

Our 2020 budget reflects the Mountain Sky Conference priorities to equip lay and clergy leaders; develop strong and vital congregations; and establish new faith communities as we seek *to live in God's grace and abundance as we lead a re-energized peaceful and compassionate movement to claim the life-changing love of Jesus Christ for ALL people.*

In the face of the uncertainty that lies before us, it is imperative that we use our resources wisely and continuously seek new opportunities to manifest the values held by the Mountain Sky Conference. You will notice two significant changes in the 2020 budget presentation:

- Consistent with Petition MSC-03, "The Calculation and Payment of General and Jurisdictional Apportionments by the Local Church/Charge," this budget includes only funding for annual conference ministries. It does not include General and Jurisdictional apportionment payments. The 2020 Mission Shares for a local church to fund this budget is 10% of adjusted gross revenue.
- This presentation reflects the total cost of our conference ministries, and shows the portion that will be funded outside of the budget.

The budget supports the staffing configuration that is established by the Mountain Sky Roundtable, per our Guiding Policies and Procedures.

### REVENUE

Our revenue target of \$4,364,000 is based on Mission Shares giving that is 10% of adjusted gross revenue for a local church.

### EXPENSES

#### Local Churches, Circuits and Districts

Local churches and extension ministries of the church provide the most significant arenas through which disciple-making occurs (§120, *The Book of Discipline of The United Methodist Church, 2016*).

These expenses support the goals of the Cabinet and District staff to:

- Appoint, support and supervise pastoral leaders for all congregations and extension ministries related to our conference.
- Promote the vision of the Mountain Sky Conference.
- Support the work of the episcopal office across the conference and the United Methodist connection
- Build capacity of our congregations for disciple-making and vital ministries in each community served through deployment of District leadership teams and the development of circuits as a grouping of churches (including clergy and laity) meeting for common ministry and purpose.

### **Congregational Vitality**

These expenses support the 2020 goals of our Congregational Vitality ministry:

- Establish three new faith communities and support 11 existing new faith communities.
- Provide resources, training and educational opportunities to increase congregational vitality through an intensified focus on discipleship.
- Continue to support the Blackfeet United Methodist Parish.
- Shift to an expectation that every church is reaching out to create new places for new people.

### **Community Engagement**

The primary goals of community engagement in 2020 are to:

- Empower faith communities to meaningfully connect with communities for mutual transformation through missions, advocacy, multicultural ministries and partnerships.
- Revitalize existing resources and develop new resources to effectively equip congregations for community engagement.
- Collaborate intentionally with Congregational Vitality and Leadership Development program areas for shared ministry and resourcing.

### **Leadership Development**

#### **Board of Ordained Ministry (BOM)**

This budget reflects our BOM goals to:

- Lift up and walk alongside the candidates who will serve the current and future needs of the Mountain Sky Conference.
- Establish policies as a new Mountain Sky Conference BOM to assure that the board is identifying highly effective candidates, and helping to create a culture of vitality in our new conference.
- Continue to expand our understanding of cross cultural ministry, and to model working across cultures as a board.

#### **Board of Lay Ministry**

This budget supports the goals of our Board of Lay Ministry to:

- Build the organizational network to connect district lay leaders throughout the Mountain Sky Conference, enhancing relationships, learning and feedback.
- Equip district lay leaders to assist in creating and implementing lay circuits within their districts.
- Encourage the re-energizing of lay servant ministries by collaborating with lay ministries directors to help them find ways to provide opportunities and remove obstacles for laity within the conference who wish to grow as disciples of Jesus Christ.

#### **Young People's and Campus Ministries**

These expenses reflect our leadership development priority to engage youth and make young disciples of Jesus Christ for the transformation of the world. The focus is on cultivating leadership skills at all levels of our denomination to ensure that young people have their voices effectively represented. Existing ministries with young people and campus ministries will be strengthened, and new ministry opportunities will be created.

The goals for leadership development in 2020 are:

- Resourcing: Providing practical resources that give leaders access to information and opportunities for new learning.

- Training: Providing quality training that focuses on building and honing skill sets.
- Growing: Growing leaders by providing ongoing support systems and practical experience for leaders to apply skills and grow in their capacity to be effective leaders.

### **Camping and Retreat Ministries**

This ministry provides a supportive network and training opportunities for our paid and volunteer camping and retreat professionals, both within the conference and nationally. By cultivating leadership skills and implementing the most effective ministry practices, we will ensure that these ministries are embraced as opportunities for transformation.

### **Responsible Stewardship**

These expenses support the Responsible Stewardship goals for 2020:

- To provide accurate, timely and thorough information that helps Mountain Sky Conference leaders make informed decisions that foster our ability to achieve our mission.
- To help individuals in local churches and other Conference-related entities improve and enhance their financial management understanding and practices.
- To manage investments to support achievement of the Conference priorities and mission.

### **Conference Office Business and Operating Expenses**

- This budget item includes operating expenses to conduct business and maintain the Conference office in Greenwood Village, Colorado

### **Board of Pension and Health Benefits**

The expenses for this board include clergy seminars, recognition at the Annual Conference for retiring clergy, as well as the cost to send two board members to annual training sessions sponsored by Wespath Benefits and Investments.

### **Retiree Health Subsidy**

The total cost for the Conference to subsidize healthcare for retirees in 2020 will be approximately \$450,000. The operating budget covers \$50,000 of this cost. The remaining \$400,000 will be paid from Conference assets invested with Wespath that are designated to fund our retiree healthcare liability.

### **Communication**

Communications is integral to developing leaders and congregations in that it provides the connectional thread between ministries of the conference and the local church. As the Mountain Sky Conference strives to live into Beloved Community and make disciples of Jesus Christ for the transformation of the world, effective communications helps ensure that people in the pews and outside our churches learn about our mission and they – in turn – spread that good news. The team oversees the technology and storytelling capabilities of the Mountain Sky Conference by: 1. managing the website(s) and online communication platforms; and 2. providing technology, equipment, training and promotional materials. The communications team ensures the conference, circuits and local churches have the skills and resources to effectively tell our story.

### **Mountain Sky Roundtable**

This budget includes costs associated with roundtable meetings and work to envision and plan for our future, as well as conference support for the episcopal office.

### **SUMMARY**

As we continue to live into the values and vision of the Mountain Sky Conference, we believe it is important to fund ministry, missions and our organizational obligations at the levels needed to ensure successful progress toward achieving our vision. To sustain all that God is calling us to be and do as the Mountain Sky Conference, the Council on Finance and Administration recommends this \$4,364,000 budget for your approval.