



2023 Budget





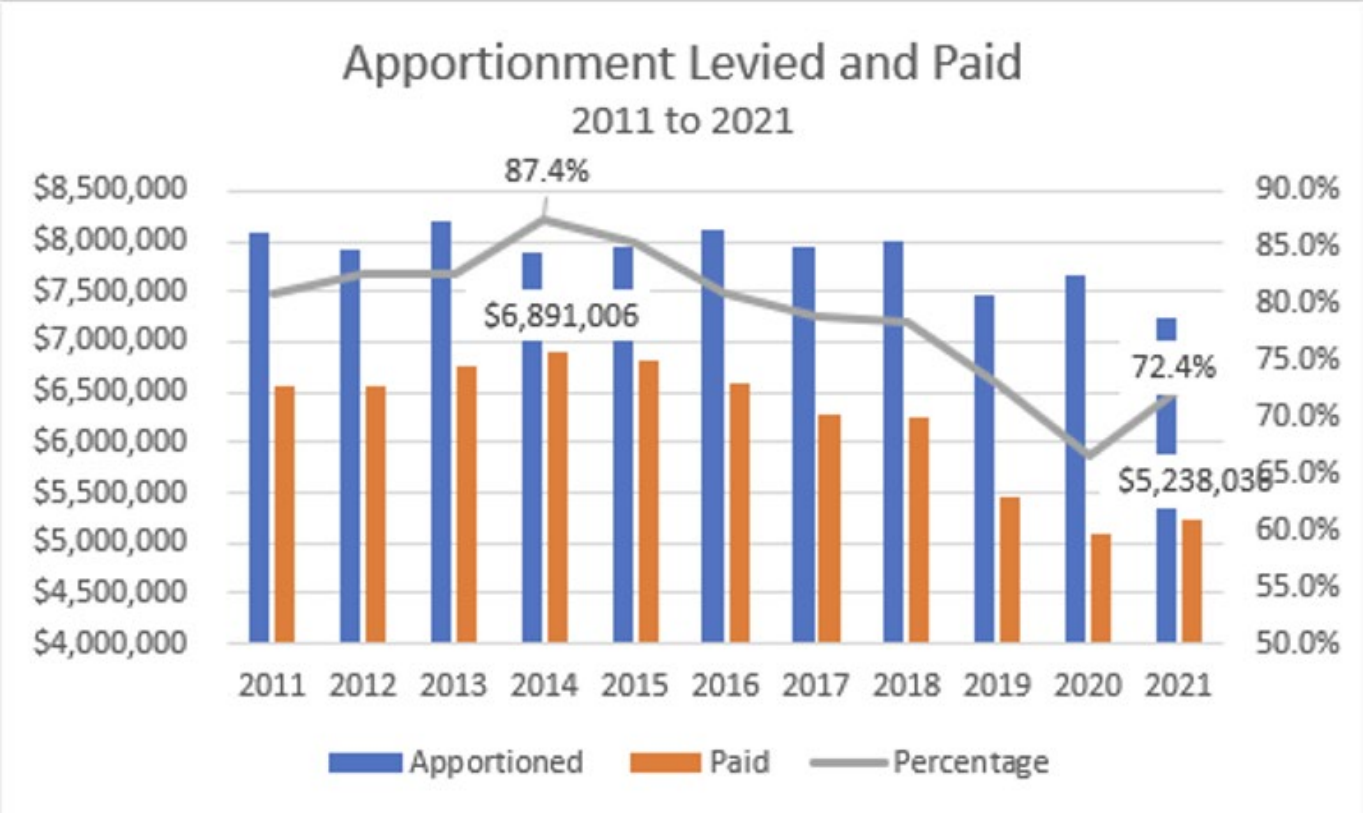
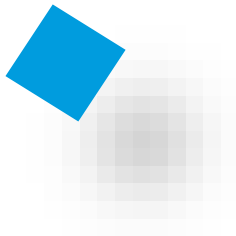
Primary Goal: Position the Mountain Sky Conference for deeper connection among local churches, districts, and conference, and broaden our ministry and mission opportunities through increased income.



The Council on Finance and Administration (CFA) spent much of 2021 and 2022 analyzing local church and Conference income trends with special consideration of the following factors:

- ongoing transition work from legacy Rocky Mountain and Yellowstone Conferences
- denominational uncertainty and strife, particularly since General Conference 2019
- the impact of COVID on local churches and the myriad ways that churches have adapted to a COVID and post-COVID environment
- fluctuations in the economic environment over the last 4 years, including significant increases in cost of living metrics
- potential disaffiliations from the United Methodist Church

Many of our local churches have experienced long term financial challenges even before the extraordinary events of the last 4 years, while others have remained stable and, in some cases, have continued to grow despite those events. The diversity in our broad community presents both challenges and opportunities, which are reflected in our connectional giving. The following chart illustrates mission share giving since 2011.



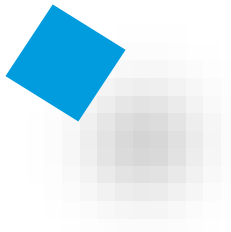


Mission share giving has remained somewhat stagnant since 2019, the first full year of the Mountain Sky Conference's existence. Therefore, CFA, Cabinet, and MSC Round Table are working on two key priorities.

First, CFA is presenting to the Annual Conference a 2023 operating budget that reflects the mission shares trend. The budgeted revenue is \$5.689 million and includes \$1.7 million for general and jurisdictional apportionments and \$3.989 million for Conference program ministries. The total decrease is 6.7% of 2022 budget.

Program ministries spending reflects a net reduction of \$411 thousand or 9.3% of 2022 budget. Included in the budget is a 4% compensation increase for all staff (payroll and grant positions of Congregational Resource Ministries or CRMs and Mission Strategist). Also included is an increase in Healthflex premium credits, the employer share of health insurance premiums, of \$732 per year per eligible employee as defined in our Guiding Policies and Procedures.

Strategically, the 2023 budget will be monitored closely through the first quarter and second quarters of the year, and, as always, the spending plan will be adjusted by CFA in concert with Bishop's Round Table and the Mountain Sky Round Table. Collectively, there are opportunities for ministry investment that are unexplored, and our Connection can accomplish more together than we can as individual entities.



Second, the MSC Round Table has approved the formation and work of a connections task force. One hallmark of the United Methodist Church is our connectional nature. We understand ourselves as more than a voluntary association of individual churches. We are one as the people called United Methodists, and we are united by a single mission. We train, equip, and deploy pastoral leaders to empower our local churches to make disciples of Jesus Christ for the transformation of the world. The annual conference is the conduit that makes this happen. We commit to sharing resources across our Connection so that – together – we can be stronger and achieve far more than we could alone.

The purpose of the connections task force is to assess the health of our connection and determine ways we can improve communications, messaging, process, and support to deepen the network of connections - both vertical and horizontal relationships - that defines us as a Mountain Sky Conference and a part of the United Methodist Church. While the health of individual entities impacts the health of the whole network, this task force's primary duty is to strengthen the relationships between our individual parts (relationships between churches, between churches and conference leadership, between churches and deployed leaders, etc.)

The Council on Finance and Administration presents the following 2023 Budget for Annual Conference approval:

	2022	2023 REDUCTIONS	2023	% Change
GENERAL AND JURISDICTION APPORTIONMENTS	<u>\$ 1,700,000</u>	<u>\$ -</u>	<u>\$ 1,700,000</u>	<u>0.0%</u>
CONFERENCE PROGRAM AND ADMINISTRATION				
Leadership Development	750,887	(75,089)	675,798	-10.0%
Congregational and Community Vitality	829,550	(82,955)	746,595	-10.0%
Local Church Support	1,736,500	(173,650)	1,562,850	-10.0%
Communications	336,700	(33,670)	303,030	-10.0%
Episcopal Office	12,500	27,500	40,000	220.0%
Responsible Stewardship	<u>733,863</u>	<u>(73,386)</u>	<u>660,477</u>	<u>-10.0%</u>
	<u>4,400,000</u>	<u>(411,249)</u>	<u>3,988,751</u>	<u>-9.3%</u>
	<u>\$ 6,100,000</u>	<u>\$ (411,249)</u>	<u>\$ 5,688,751</u>	<u>-6.7%</u>
<i>AVERAGE MISSION SHARES PER MONTH</i>	<i>508,333</i>		<i>474,063</i>	



2023 Budget Detail

		2022 BUDGET	2023 BUDGET	Δ \$	Δ %
TOTAL REVENUES		6,100,000	5,688,751	(411,249)	-6.7%
EXPENSES					
CONNECTIONAL GIVING	GENERAL AND JURISDICTIONAL APPORTIONMENTS	1,700,000	1,700,000	-	0.0%
CONGREGATIONAL VITALITY AND COMMUNITY ENGAGEMENT					
NEW CHURCH DEVELOPMENT	GRANTS AND GENERAL PROGRAM SUPPORT EXPENSES	190,500	140,423	(50,077)	-26.3%
CONGREGATIONAL VITALITY	GRANTS AND GENERAL PROGRAM SUPPORT EXPENSES	95,100	85,590	(9,510)	-10.0%
COMPASSION AND JUSTICE MINISTRIES	GRANTS AND GENERAL PROGRAM SUPPORT EXPENSES	200,950	180,855	(20,095)	-10.0%
ADMINISTRATION	SALARIES, WAGES, AND BENEFITS	278,850	286,816	7,966	2.9%
	TRAVEL AND PROFESSIONAL EXPENSES	19,000	16,000	(3,000)	-15.8%
	OTHER GRANTS AND PROGRAM EXPENSE	45,150	36,911	(8,239)	-18.2%
TOTAL CONGREGATIONAL VITALITY AND COMMUNITY ENGAGEMENT		829,550	746,595	(82,955)	-10.0%
<i>Reflects reductions in staff travel (activity offset by Zoom meetings), grants (some reduced, some funded through designated funds), and other expenses related to in person meetings.</i>					
LEADERSHIP DEVELOPMENT					
LEADERSHIP DEVELOPMENT (PROGRAM)	CORE PROGRAM EXPENSE, INCL NON-STAFF TRAVEL	107,887	82,000	(25,887)	-24.0%
BOARD OF ORDAINED MINISTRY	MEETINGS, EVENTS, PROGRAM & ADMINISTRATIVE EXPENSE	28,000	25,000	(3,000)	-10.7%
BOARD OF LAY MINISTRY	MEETINGS, EVENTS, PROGRAM & ADMINISTRATIVE EXPENSE	20,000	12,000	(8,000)	-40.0%
YOUNG PEOPLE'S MINISTRIES	EVENT COSTS & PROGRAM SUPPLIES	153,000	130,000	(23,000)	-15.0%
ADMINISTRATION	SALARIES, WAGES, AND BENEFITS	422,000	399,478	(22,522)	-5.3%
	TRAVEL AND PROFESSIONAL EXPENSES	20,000	27,320	7,320	36.6%
TOTAL LEADERSHIP DEVELOPMENT		750,887	675,798	(75,089)	-10.0%

Reflects reductions in LD team initiatives (e.g., grants, clergy coaching) and Camping Ministries/Young People's Ministries (grants and program expenses).



2023 Budget Detail continued...

		2022 BUDGET	2023 BUDGET	Δ \$	Δ %
LOCAL CHURCH SUPPORT					
CLERGY SUPPORT	NON-STAFF CLERGY TRAVEL (E.G., INTRODUCTIONS)	15,000	10,000	(5,000)	-33.3%
	CLERGY MOVING EXPENSE	150,000	112,500	(37,500)	-25.0%
ADMINISTRATION	DISTRICT SALARIES, WAGES, AND BENEFITS	1,130,000	1,027,925	(102,075)	-9.0%
	CABINET TRAVEL AND PROFESSIONAL EXPENSES	112,000	92,500	(19,500)	-17.4%
	GRANTS -CRM	304,500	326,184	21,684	7.1%
	OFFICE RENT AND ADMINISTRATIVE EXPENSES	25,000	14,500	(10,500)	-42.0%
	UNFUNDED MINISTRY NEEDS	-	(20,759)	(20,759)	0.0%
TOTAL LOCAL CHURCH SUPPORT		1,736,500	1,562,850	(173,650)	-10.0%

Reflects reductions to clergy introduction and moving expenses based on anticipated appointment activity, restructuring of districts, and a reduction in Cabinet travel for in-person meetings.

COMMUNICATIONS	SALARIES, WAGES, AND BENEFITS	257,000	184,250	(72,750)	-28.3%
	TRAVEL AND PROFESSIONAL EXPENSES	12,000	21,000	9,000	75.0%
	OTHER ADMINISTRATIVE EXPENSE	20,700	31,680	10,980	53.0%
	IT AND OTHER CONTRACT SERVICES	47,000	66,100	19,100	40.6%
TOTAL COMMUNICATIONS		336,700	303,030	(33,670)	-10.0%

Reflects cost savings achieved by delaying staff additions and leveraging vendor relationships to serve critical needs on a contractual basis.

EPISCOPAL OFFICE	ADMINISTRATIVE SUPPORT	12,500	40,000	27,500	220.0%
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Reflects increases to provide supplemental support for functions and responsibilities of the Episcopal Office.

2023 Budget Detail continued...

		2022 BUDGET	2023 BUDGET	Δ \$	Δ %
RESPONSIBLE STEWARDSHIP					
RESPONSIBLE STEWARDSHIP	SALARIES, WAGES, AND BENEFITS	512,863	573,363	60,500	11.8%
	TRAVEL AND PROFESSIONAL EXPENSES	24,000	6,000	(18,000)	-75.0%
	OFFICE RENT AND EXPENSES	26,600	21,600	(5,000)	-18.8%
	ACCOUNTING FEES	85,000	50,000	(35,000)	-41.2%
	LEGAL FEES	30,000	25,000	(5,000)	-16.7%
	MEETING EXPENSE - LEADERSHIP TEAMS	6,000	-	(6,000)	-100.0%
	OFFICE SUPPLIES	2,400	2,400	-	0.0%
	IT CONTRACT SERVICES / TECHNOLOGY SUPPORT	45,000	45,000	-	0.0%
	UNFUNDED MINISTRY NEEDS		(64,386)	(64,386)	
HISTORICAL SOCIETY	OTHER ADMINISTRATIVE EXPENSE (ARCHIVES AND HISTORY)	2,000	1,500	(500)	-25.0%
TOTAL RESPONSIBLE STEWARDSHIP		733,863	660,477	(73,386)	-10.0%
<p><i>Reflects reductions in travel and training expenses, general office expenses (e.g., postage, supplies), accounting and legal fees achieved by reductions in services, and the elimination of in-person meeting expenses.</i></p> <p><i>Unfunded ministry needs are expected to be supported by designated funds and fee based activities.</i></p>					
TOTAL EXPENSES		6,100,000	5,688,751	(411,249)	-6.7%