Saskatchewan Conference Budget Document

This document is intended to be an overview of the steps taken as part of the Budget process and an explanation of each of the elements included within the Budget motions. These motions are the end result of the decisions made at a number of meetings.

Summary of the Process

The Budget was first considered by the Finance and Administration Committee at its meeting on March 10th with someone from all 7 Presbyteries in attendance. After the meeting, a report of the decisions was then sent by email on March 14th to each of the Presbyteries and to the convenors of the committees, the co-ordinators of the networks, and those responsible for tasks / task groups. This was to allow them an opportunity for questions or comments either through the Finance and Administration Committee or a member of the Conference Executive.

The decisions of the Finance and Administration Committee and its recommendations to the Conference Executive were considered by the Conference Executive at its meeting of May 4th and 5th. The Executive accepted the recommendations and made the final decisions as to the Budget in the absence of a Saskatchewan Conference annual meeting. Those decisions follow.

Details of the Process and the Recommendations Being Made for the 2018 Budget

1. The Conferences were advised by the General Council a couple of years ago that there would not be a Conference Grant from the General Council in 2018. For comparison purposes in 2015 the Grant was $309,128 and in each of 2016 and 2017 the grant has been $216,390. As such, this source of income has been reduced by over $300,000 in the course of 3 years and over $200,000 since last year.

2. The Finance and Administration Committee reviewed the list of commitments as presented by staff. This list reflected both past spending and the spending that is anticipated in 2018.

3. As part of the review of Commitments, both the Finance and Administration Committee and the Conf Executive heard that staffing has been reduced by the resignation of Rose Seifert who has not yet been replaced. Additional administrative staffing may be hired in the spring of 2018 to assist with the additional work which is anticipated leading up to the 2018 Annual Meeting. As well, the position of Executive Secretary has been reduced by 1/3 as a result of the sharing of 2 Executive Secretaries among the Conference of Manitoba and Northwestern Ontario, Saskatchewan Conference, and Alberta and Northwest Conference.

4. Since the Finance and Administration Committee meeting, a number of the Conferences indicated a need for financial assistance for 2018. This was discussed during a conference call between the Conference Executive Secretaries and Speaker and Erik Mathiesen, the Chief Financial Officer for the General Council of the United Church. The requests included those from the All Native Circle Conference and Manitou Conference which have no or a limited ability to raise funds from other sources.

5. From that conversation it appeared, subject to the approval of the General Council Executive, that those requests will be met and that the other Conferences (excluding BC Conference and Toronto Conference which are financially independent) will receive a

Grant for 2018 of $30,000. Because this Grant depends upon the approval of the GCE, it has not been included in the Budget motions which follow.

6. Each of the Finance and Administration Committee and the Conference Executive made the following decisions in response to a number of issues raised for discussion:

   - That Presbytery Assessments be maintained at the same level where they have been since 2014.

   - That the global budget for each of the Conference Executive, Committees and Tasks, and Networks be increased for 2018 by an amount which allows for an increase in mileage to accommodate the decision that was made by the Conference Executive in February to increase the mileage rate for volunteers within the Conference structure to $.39 per kilometer (which is the same as the rate to the Conference President and staff). These increases are reflected in the Budget motions which follow.

   - That, after considering the total amount of Conference grants awarded from 2011 to 2017 to our partners in ministry, other than Calling Lakes Centre, the Budget for grants be maintained at the same amount as was set for 2017 of $15,000. This amount would be less than what it had been in 2014, 2015, and 2016 but still higher than the amount granted to recipients other than Calling Lakes Centre in 2011, 2012, and 2013.

   - That, after considering the history of the amounts Budgeted and the amount utilized for the Contingency Fund, the amount Budgeted for the Contingency Fund be $20,000 which is the same as it has been since 2014.

<u>Effect of the Proposed Budget on our Reserve Funds</u>

- Reserve funds are generally established to smooth the impact of a fluctuation in operating income and to have enough funds to affect an orderly closure or transition if funding sources disappear. Conventional wisdom for non-profit organizations is to have 2-6 months operating reserve depending on how secure the revenue streams are.

- As a result of these insights, the Finance and Administration Committee decided in 2013 that:

  The minimum balance in Saskatchewan Conference Reserves (including the Reserve Fund and the Moats Fund) in any year be [at least] thirty per cent (30%) of the Conference's annual budgeted expenses of that year.

- Even with a transfer of $265,047 from our reserves to balance our budget in 2018, Saskatchewan Conference is still well over the minimum amount established by the previous decision.

The Budget recommendations appear in the following pages together with a detailed explanation.

	2016 Approved	2017 Approved	2018 Recommended
INCOME			
Presbytery Assessments	439,732	439,732	**439,732**
Grants			
Salary Grant from General Council	216,390	216,390	**0**
Other Income			
Interest	7,000	7,000	**5,000**
Total Income	663,122	663,122	**444,732**

	2016 Approved	2017 Approved	2018 Recommended
COMMITMENTS			
Memberships/Insurance/Commitments to Other Conferences:			
• Memberships: ○ Affirm United Institutional Membership	100	100	**100**
○ The Avenue Community Centre	50	50	**50**
○ Camping – SK Camping Association Membership	75	75	**75**
○ Rainbow Wellness Resource Centre/ in 2016 - Transask and University of Regina Pride Memberships	50	50	**50**
○ SK Assn of Spiritual Care Practitioners in Health Care	50	50	**0**
○ SK Council for International Co-op (SCIC)	300	50	**50**
○ SK Council of Archives Membership	100	100	**110**
• Archival Insurance	225	225	**225**
• Ministry of Supervision – Commitment to other Conferences (in 2017 to come from the Contingency Fund as required)	1500	0	**0**
Total	**2450**	**700**	**660**

Staffing and Office Operations:			
• Staffing Costs: ○ Continuing Education Funding	3996	4077	**4077**
○ Professional Development for Admin Staff	500	500	**500**
○ Salaries and Benefits and Workers Compensation	458386	473924	**385055**
• Rent/Parking/Taxes	72000	80000	**74000**
• Equipment (Lease/Servicing)	5700	6400	**6400**
• Telephone	5000	4500	**4500**
• Utilities	6200	6200	**6200**
• Janitor	4000	4000	**4000**

	2016 Approved	2017 Approved	2018 Recommended
Items that F&A Committee would oversee through the Conference staff ○ Staff Resources	400	100	**100**
○ Staff and President's Travel	20000	20000	**15000**
○ Stationery and Supplies	3000	4000	**4000**
○ Postage	1000	1000	**1000**
○ Computer Maintenance/Supplies	*4000	*4000	***5000**
○ Facility Maintenance	*	*	***
○ Computer Purchase/Program upgrade	*	*	***
○ Furnishings Replacement	*	*	***
○ Cemeteries	0	600	**600**
○ General Office Supply (Paper towel, toilet paper, coffee)	800	800	**800**
Subscriptions/Licence renewals (Observer, Briar Patch, Alban Institute, Adobe Connect, Survey Monkey)	820	900	**900**
Total	**585802**	**611001**	**512132**
Outside Contracts:			
• Audit	5150	5000	**5000**
• Bank charges & supplies	200	50	**50**
• Legal	500	500	**500**
• Archive Rent			**7300**
Total	**5350**	**5550**	**12850**
Total Commitments	**594102**	**617251**	**525,642**

Budget Category	2014 Actual $	2015 Actual $	2016 Actual $	Average for 14/15/16	2017 Approved	**2018 Recommended**
Total Commitments	597,027	632,886	565,192	598,368	617,251	**525,642**
Annual Meeting	39,323	36,708	36,178	37,403	10,000	**37,403**
Conference Executive	8,143	7,295	7,839	7,759	7,000	**9,435**
Committees and Tasks	45,636	38,901	32,825	39,121	35,000	**45,201**
Networks	21,447	24,190	23,400	23,012	20,000	**23,338**
Grants	49,173	35,000	23,450	35,874	15,000	**15,000**
Contingencies (including Emergent Work)	7,494	9,585	7,250	8,110	20,000	**20,000**
Grant to the Licensed Lay Worship Leader Program			7,901	2,364	10,440	**13,760**
Less contribution to the Fund for Learning Sites		10,000	10,000	6,667	20,000	**20,000**
	768,243	794,565	714,036	758,948	754,691	**709,779**

The following are the explanatory notes which will help you review the above:

1. The 3 columns on the left include the historical data that is used in our budget process as we calculate based upon averages over the last 3 years.
2. There was no annual meeting in 2014 so an average of the cost of the annual meeting in 2013 and 2015 was inserted as the actual.
3. The 4th column from the left is the average of the expenses for each category (Commitments, Annual Meeting, etc.) over the 3 years.
4. The 5th column from the left is what we approved for 2017 for comparison purposes.
5. In our process every year we have separated out the amount for commitments (as calculated), and contingencies (as determined for each year).
6. For the 2014 and 2015 Budgets, we also separated out the annual meeting which we indicated would be $21,000 for each Budget year.
7. For the 2014, 2015, 2016, and 2017 Budgets, we also separated out the amount budgeted for Saskatchewan Conference Grants to our partners in ministry.
8. For the 2014, 2015, and 2016 Budgets, the decision was made that we shouldn't be increasing the amounts for the Conference Executive, Committees and Tasks and Networks, and so we left them at the same amounts as in previous years. Those amounts were reduced for 2017. However, for 2018 the amount budgeted for each is increased by an amount representing the increase in mileage for volunteers.
9. An amount is included for the annual meeting which is the average for 2014, 2015, and 2016.
10. The amount for Contingencies (Emergent Work) is indicated to be $20,000 which is the amount budgeted for every year in the recent past.
11. In 2017, the amount for Saskatchewan Conference Grants to our partners in ministry was reduced after considering what was granted in previous years to our partners in ministry other than Calling Lakes Centre. That amount is the same for 2018.
12. The result is a deficit of **$265,047.** Such a deficit, if it occurs, would be covered by a transfer from reserves. For comparison purposes, the Budgeted deficit for 2014 was $105,232, for 2015 was $85,305, for 2016 was $118,363, and for 2017 was $91,569.

Saskatchewan Conference
2018 Budget Proposal

That the Saskatchewan Conference Budget for 2018 be (as outlined in Saskatchewan Conference Budget Document):

Revenue including:	
• Presbytery Assessments	$439,732
• Salary Grant from General Council	$0
• Interest	$5,000
Total Revenue:	**$444,732**
•	
Expenses including:	
• Commitments	$525,642
• Annual Meeting	$37,403
• Conference Executive	$9,435
• Committees & Tasks/Task Groups	$45,201
• Networks	$23,338
• Grants	$15,000
• Contingencies	$20,000
• Grant to the Licensed Lay Worship Leader Program	$13,760
• Contribution to the Fund for Learning Sites	$20,000
Total Expenses:	**$709,779**

The result is a deficit of $265,047 which would be satisfied by a transfer from reserves.

MOATS LAND FUND

(Established at Conference Executive Meeting, May 4-5, 2012)

1) The Purpose of the Fund:

To honour the wishes of Ethel Moats and other donors to use for the purposes of Saskatchewan Conference by:

a) Supporting the Budget of Saskatchewan Conference
b) Supporting Emergent Needs beyond the capacity of the Contingency Funds for Saskatchewan Conference
c) Supporting Green Initiatives

The amounts available for the various purposes would be determined by the Annual Meeting of Conference on recommendation of the Finance and Administration Committee.

2) How will the money be collected?

The money will be collected through royalties, both oil and surface rights, and rent and future income from other resource revenue that might come to the Saskatchewan Conference.

3) Who will have the authority to disburse or expend the fund?

a) Budget of Saskatchewan Conference – The Delegates to the Saskatchewan Conference Annual Meeting based on recommendations from Conference Executive and the Finance and Administration Committee
b) Emergent Needs of Saskatchewan Conference - Conference Executive in consultation with Finance and Administration Committee
c) Green initiatives – Mission Support Committee

4) Who will be able to receive monies from the fund?

a) Budget and Emergent Needs i. Saskatchewan Conference
b) For Green Initiatives:
   i. Congregations/Pastoral Charges
   ii. Incorporated Ministries
   iii. Outreach Ministries
   iv. Presbyteries
   v. Camps
   vi. Saskatchewan Conference

5) How will application for monies be made?

a) Budget: through Annual Budget Process
b) Emergent Needs: through decisions of Conference Executive in consultation with the Finance and Administration Committee
c) Green Initiatives: through forms to the Mission Support Committee

6) The duration of the fund and how the fund will be closed.

The Finance and Administration Committee sees this fund as ongoing until the money runs out. The Finance and Administration Committee will establish parameters on an annual basis as to how much is available for disbursement.

Moats Land Fund Green Initiative Proposal

That the amount available for Green Initiative projects from the Moats Land Fund be $20,000 for the year 2018.