

October 14, 2015

Delegates and Clergy of the Pennsylvania Southeast Conference of the United Church of Christ:

The Conference financial plan for 2016 is complete and has been posted on the PSEC website. The plan has been approved and recommended by the Conference Consistory for action at the Fall Meeting on November 15, 2015. The plan has been developed for approval of the membership by PSEC staff, Conference Consistory, and the Budget & Finance Committee.

The following are highlights of the 2016 budget:

- 1) The plan includes no increase or decrease in OCWM receipts from the prior twelve month period. This actually reflects an improved situation for our Conference as we have reduced OCWM receipts over the last few years. This also reflects our commitment toward the 2020 vision of the Conference. By not decreasing our expected OCWM receipts, we are anticipating that all giving will remain the same in the coming year. But this is also a challenge to all of our Conference's churches to continue providing support at the same level.
- 2) The plan reflects a decrease in the endowment draw from 6% to 5% for 2016. This reduction actually results in the Conference receiving a slight increase from the budgeted draw for 2015. This is directly related to a better performance of our investments over the last three years.
- 3) The plan includes a 2% increase in Conference staff salaries as per the decision made by the Conference Consistory.
- 4) The 2016 plan for expenses shows an increase of expenses from our 2015 plan of approximately 4%. This four percent is directly related to the following anticipated expenditures: an increase in expenses of \$3,000 to support Leadership Development (training and Continuing Education) for our Conference Staff, \$26,000 for the change to a multi-day Spring Meeting, a commitment to Bethany Children's Home of \$3,000, and \$6,100 for our Members in Discernment Academy. These are all new expenditures. Other than a 5% increase in insurance costs, there are no other significant changes from the 2015 plan expenditures.
- 5) The 2016 plan has income exceeding expenses by approximately \$19,000 or 1.8%. Cash reserves are held in an unrestricted endowment account.

Please take some time to review the 2016 budget and summary before the Fall Meeting on November 15, 2015. As part of our review time during the meeting, I will be asking folks to take some time to consider what this budget reflects for us as a Conference. We are spending \$1 million dollars over the next year, what ministries of the Conference can you get excited about in the coming year?

If you have financial questions about the PSEC please contact me at pastorchristian@stjohnhillucc.org or Tammie Wisniewski, Financial Operations Manager at tammie@psec.org.

God's grace, peace, and blessings upon us all,
Rev. Christian B. Creyer, Conference Treasurer