

PSEC Treasurer's Report

October 17, 2017

The Consistory at its September meeting approved the 2018 budget and recommends that the member churches also approve it at the Fall Meeting on November 18, 2017. The following are some of the highlights of the proposed spending plan:

- The endowment draw will decrease to 4%, a 1% reduction from 2017.
- Funding was added for a Men's Clergy Retreat being planned for 2018. Plans are in process for this new opportunity for clergy to sabbath.
- Congregational Development budget has been increased as Rev. James' ministry is more clearly defined following his first year on Conference staff. Rev. James is working on a more targeted approach to working with Associations to utilize Natural Church Development strategies. Planting of 2 new church starts is also on the horizon.
- Healthcare expenses have increased 7%.
- MARYE (Mid-Atlantic Regional Youth Event) happens in 2018 so final cost has been budgeted in 2018.
- Boundary training budget has been increased as there is a need for more opportunities for this clergy and lay training.
- Salaries have been increased 1.5% over 2017 levels, with a .5% bonus option.
- Conference supported ministries have been budgeted to be more closely reconciled with Endowment restrictions.
- The expenses in the budget are funded from normal sources (including a reduced endowment withdrawal as mentioned above) and without using savings accounts.
- The budget request includes expenses for 13 of the 17 initiatives in the 2020 Vision.

As of the date of this letter, the OCWM year to date giving is below budget by \$46,000 of our 2017 projected OCWM. All budgeted expenditures will be covered by reserves if OCWM contributions do not recover; however, we understand that this is a trend that cannot continue. The 2018 spending plan calls for a decrease in total expenses to \$1,027,583. The reduction in this overall budget, we believe, is more in line with the projected annual OCWM income for 2018.

Attached are the 2018 budget details in 2 formats, one detailed and one condensed. Please review these documents and send questions to me at redwa1106@gmail.com or to Tammie Wisniewski, Finance Operations Manager at tammie@psec.org or 484-949-8774x304.

Ray Edwards, PSEC Conference Treasurer