

Treasurer's Discussion and Analysis

Introduction

Allow me to introduce myself to those of you whom I haven't met. I'm Jim Ducker and I began serving as the new Executive Director of Finance and Administration/Treasurer of the Dakotas Conference on January 1, 2023. I live in Sioux Falls with my wife Krista, who serves as pastor at Ben Clare UMC and a chaplain at Avera McKennan Hospital, and my stepson Lucas. I'm excited to serve in this role, and I look forward to supporting all of you in our shared effort to be good stewards of our conference resources and to see how God works through us. My goal is to visit each of your churches in person (or at least virtually) at some point in the not-to-distant future. This will help me get to know you and your ministry and learn how the Finance Office can continue to support you.

Budget Update

2022 – Apportionments received for 2022 totaled approximately \$3.56 million. This was higher than the apportionments received from churches in 2021 of approximately \$2.88 million, primarily due to the requirement of churches paying 100% of their apportionments for 2022 as part of their disaffiliation agreement (See '**Disaffiliations**' below for further details). While 2022 was a good year from an apportionment perspective, our total expenses for 2022 were \$3.59 million, resulting in a shortfall of approximately \$33,000. Although several portions of the apportioned budget resulted in lower-than-expected costs, other portions of the budget incurred much higher-than-expected costs. These areas of the budget include pastor moving costs, workers compensation insurance, and Annual Conference expenses (due to a Special Session held in November for disaffiliations). The overall budget shortfall was absorbed by Conference reserves.

2023 – As of May 31, 2023, we received approximately \$838,695 for 2023. This does not include the 2023 apportionments received from disaffiliating churches in 2022 of \$121,707 (for a grand total of \$569,293). We may have to use a portion of our Conference reserves to meet budget obligations for 2023 due to the impact of church disaffiliations. Although it's difficult to determine the impact of disaffiliations as it relates to our 2023 budget, my best estimate is that apportionments received from churches for 2023 (including from those that are disaffiliating in 2023) will likely be \$2.4 – 2.7 million. With a 2023 budget of \$3.3 million, we will need to use our operating reserves and/or reduce our spending (See '**Reserves**' and '**Disaffiliations**' sections below for further details).

2024 – An apportioned budget of \$3,518,381 was presented by the CCFA and approved at the Annual Conference. The budget includes 100% of our General Church apportionments totaling \$1,021,699, included under the 'Extending Missional Impact' program area. However, although it's our goal to pay 100% of our General Church apportionments, this amount was calculated by the General Church using the formula approved at the 2016 General Conference. Since then, circumstances have occurred that will likely make this goal unattainable – primarily the impact of church disaffiliations – which will have a negative impact on apportionment income received from local churches in 2024.

Therefore, in addition to a formal budget, we also presented a 'Spending Plan' for 2024. The reasons for presenting both a budget as well as a spending plan are two-fold: 1) to ensure we are compliant with the *Book of Discipline* requirements, which requires Conferences to include 100% of General Church apportionments in our budget and 2) to ensure we are transparent by communicating that our spending plan reflects our ability to pay General Church Apportionments in proportion to the income the Conference will receive in 2024. We have calculated our expected total contribution to the General Church in 2024 at \$573,940. See '**General Church Apportionments**' section below for further details.

Our spending plan represents an overall decrease of 7.5% in the apportioned budget from 2023 (and a decrease from the 2022 budget by 15.8%). This includes a further reduction in the church apportionment percentage from 14% in 2023 to 13.5% in 2024. Although our goal last year was to reduce the apportionment percentage by 1% per year through 2027, due to the budgetary uncertainties related to church disaffiliations, the CCFA decided to slow the reduction of apportionments by 0.5% per year with the goal being the same - to reduce the apportionment percentage to 10% of church operating income (but reducing the apportionment percentage by smaller increments). We hope the decision to continue to lower the apportionment percentage, even during times of uncertainty, illustrates to you that we understand the challenges facing local churches as we continue to recover from the effects of the pandemic and lower attendance. We will continue to work as a leadership team to assess our conference operations to 'right size' our budget yet continue to meet our ministerial goals.

Disaffiliations

A special Annual Conference was held on Saturday, November 19, 2022, to finalize and approve churches disaffiliating from the Dakotas Conference of the United Methodist Church. Through the work of our Conference Chancellors (Nancy Oviatt (SD) and Steve Ottmar (ND)), along with our Conference Board of Trustees, Conference Board of Pensions and our Conference Council on Finance and Administration, 18 churches were approved to disaffiliate, with two of these churches disaffiliating in 2023 (Milbank Central UMC and Ashley Emmanuel UMC). See the table below for details:

Church	State	Disaffiliation Date	Disaffiliation Apportionment Obligation	Disaffiliation Pension Obligation
Aberdeen First UMC	SD	December 31, 2022	\$569,839.23	\$50,051.00
Arlington UMC	SD	December 31, 2022	\$6,087.15	\$17,334.00
Belle Fourche UMC	SD	December 31, 2022	\$63,707.04	\$21,822.00
Bowman UMC	ND	December 31, 2022	\$9,468.30	\$25,654.80
Elk Point United	SD	December 31, 2022	\$8,426.98	\$5,911.00
Eureka UMC	SD	November 30, 2022	\$48,500.00	\$11,796.00
Fargo Calvary UMC	ND	December 30, 2022	\$400,295.56	\$28,170.00
Hitchcock UMC	SD	December 30, 2022	\$27,951.22	\$12,274.00
Kennebec UMC	SD	December 31, 2022	\$84.77	\$5,520.00
Lehr UMC	ND	December 31, 2022	\$7,860.60	\$6,534.00
Presho UMC	SD	December 31, 2022	\$220.70	\$8,328.00
Reliance UMC	SD	December 31, 2022	\$693.11	\$5,520.00
Selby UMC	SD	November 30, 2022	\$38,969.88	\$14,714.00
Stickney UMC	SD	December 31, 2022	\$16,726.65	\$10,546.00
Watertown Cornerstone UMC	SD	December 31, 2022	\$543,044.51	\$27,541.00
Williston Faith UMC	ND	December 31, 2022	\$62,238.61	\$27,390.00
Subtotals (Disaffiliated in 2022)			\$1,804,114.31	\$279,105.80
Milbank Central UMC	SD	February 28, 2023	\$124,250.53	\$21,756.00
Ashley Emmanuel UMC	ND	June 30, 2023	\$7,684.75	\$6,917.00
Grand Totals			\$1,936,049.59	\$307,778.80

Of the total apportionment obligation received from disaffiliated churches, \$1,176,030.32 was received for 2020 and 2021 apportionments that were not paid in full during those years. A brokerage account was established with Raymond James and these funds were invested in five 6-month CDs at \$240,000 each (totaling \$1.2 million) at an annualized interest rate of 4.90 – 4.95%. These funds were ‘set aside’ to cover future Conference transition expenses due to disaffiliations. However, the CCFA may also determine these funds (all or in part) can be used to help support new church starts in areas where a close UMC church presence no longer exists.

Of the remaining apportionment obligation received from churches disaffiliating in 2022, \$506,376.37 was apportionments received for 2022 obligations, whereas the remaining \$121,707.61 was apportionments received for the ‘additional 12 months of apportionments’ allocated to 2023. See disaffiliation agreement, Section 4(a)(iii). These funds collected for 2022 and 2023 apportionment obligations, along with 100% of the apportionment funds collected from Milbank Central UMC, remain in the Conference operating account. *Note: Of the \$124,781.51 received from Milbank Central UMC, \$71,409.94 was for 2020 and 2021 apportionment obligations. Depending on Conference financial needs, these funds may also be invested in short-term CDs as described above.*

Conversely, a fixed income Pension Liability Fund was established at the Dakotas and Minnesota Methodist Foundations for the sole purpose of covering future pension liabilities. The \$279,105.80 received from disaffiliating churches in 2022 was invested in this account. The pension liability received from Milbank Central UMC and Ashley Emmanuel UMC will be transferred into the newly established Pension Liability Fund account as part of the remaining disaffiliations that will occur in 2023.

General Church Apportionments

2022 – I'm pleased to report that the Dakotas Conference paid 100% of its apportionments to the General Church for 2022, totaling \$940,437.00! This couldn't have been accomplished without your help and faith giving, so thank you! These funds are our 'connectional giving' and support the UMC and its ministries in a variety of ways.

2023 – The Annual Conference approved a budgeted amount of \$474,838 in 2023. However, actual apportionments allocated to the Dakotas by the General Church was \$911,219. Although the former treasurer held discussions with the General Church and advised them to use the operating income numbers for calculating our apportionments (instead of the operating expense numbers as these were incomplete), the General Church didn't revise their apportionment calculation methodology for the Dakotas Conference. *Note: The General Church calculates all Conference apportionments based on church expenditures rather than church operating income.*

2024 – The General Church apportionments allocated to the Dakotas Conference for 2024 is \$1,021,699. This amount was calculated using the 2020 Base Percentage rate approved by the 2016 General Conference. The methodology was based upon the ruling of the Judicial Council. The General Council on Finance and Administration (GCFA) did not calculate apportionments using the Base Percentage rate that was originally proposed to the now postponed 2020 General Conference, which was 18% lower than the percentage approved by the 2016 General Conference. The calculation is determined by using the Net Expenditures from the 2021 local church statistics. The Net Expenditures used excluded those related to churches that disaffiliated or closed prior to January 1, 2023.

As mentioned above, while it is our goal to pay 100% apportionments to the General Church, meeting the full \$1,021,699 obligation for 2024 will likely be unrealistic due to our 'new normal'. No one could have envisioned in 2016 the occurrences of the next seven years (pandemic, disaffiliations, etc.)! Therefore, the CCFA approved a reduction of the original amount by 18% (the planned GCFA proposal to the 2020 General Conference) and then reduced that amount an additional 32%. This further reduction was determined by performing an analysis on the amount paid in 2022 to GCFA of \$940,437.00 and comparing this to our total apportionments received for 2022, totaling approximately \$3.56 million (approximately 26.5% of the total apportioned budget to GCFA). Therefore, we estimate that paying the same percentage of our local church apportionments to the GCFA will equate to approximately \$573,940, after disaffiliations. Depending on our financial situation in 2024, we may be able to pay a higher percentage of our apportionments to the General Church and, even though it's been a challenging period, I'm hopeful that we will be able to meet that goal.

Reserves

Fortunately, the Conference has various reserves available for use through this transitional period. These reserves include \$1.2 million invested in 5 CDs (as explained above) that were received from churches for 2020 and 2021 apportionments received from disaffiliated churches in 2022. We also have approximately \$1.33 million in the Transitional Reserve Fund at Wespeth. This amount has decreased from approximately \$1.5 million at the end of 2021 due to challenging market conditions in 2022.

The Conference also has reserve funds invested at the Foundation of approximately \$900,000 as well as funds in the Conference operating account to meet current needs. Therefore, the Conference is currently in a solid financial position, with the goal of balancing our apportioned budget (without the need for further use of reserves) by 2025. Additionally, it's our hope that we will be able to use some of these reserves to establish new churches in areas that are not currently served by a United Methodist Church, primarily due to disaffiliations.

Staffing

A few transitions in the Finance Office have occurred following the 2022 Annual Conference. On August 10th Robert Ruedebusch was named as the Interim Director of Finance and Administration/Conference Treasurer during the search to fill this position. During this time, the Finance Office continued to finalize the audits from 2020 – 2022, work with churches and calculated church apportionments and pension liabilities as part of the disaffiliation process, and general daily operations. A special thanks goes out to Robert Ruedebusch for serving in this interim role. Your contribution to the Conference is very appreciated! Especially by the 'new guy' who has learned so much from him over these past few months and has helped me immensely as I transition into the Treasurer role.

Additionally, after dedicating the last 41 years of her professional career to the Dakotas Conference, JoAnn Schlimgen is retiring on September 1st. Although I've worked with JoAnn for only a few months, I learned quickly how much our office, and the Conference, has relied on her! From processing church apportionments, to ensuring conference employees get paid on time, to managing our insurances, to serving as our Conference statistician (to name just a few of her responsibilities), she has been instrumental in all facets of our Finance Office operations and has taught me a lot over these past few months. We will miss her dedication, work ethic, and sense of humor, but we know she will enjoy transitioning into more of a full time 'grandma' role (we look forward to seeing pictures of her grandbabies). Thank you, JoAnn, for all you have done to serve the Conference faithfully all these years!

Lastly, appreciation goes out to Dana Bassett, who has agreed to assume many of JoAnn's current responsibilities and has been working hard to get cross trained. Thank you, Dana, for helping the Conference during this transition! Although she has big shoes to fill, the Finance Office will continue to be well served by Dana in her new role.

Final Thoughts

I feel fortunate that I get to work with such a dedicated and 'God serving' team each day. Thank you for entrusting me with this important Conference role and thank you to everyone who has helped me 'get up to speed' (you know who you are!). Although this period has been a challenging time for the church, I am truly hopeful and excited to see what God has in store for us. While it's true we will be a smaller (yet nimbler) church, this will give us the opportunity to re-image how we 'do ministry'. And I'm looking forward to working with you and Conference leadership to dream what is possible.

In the meantime, please don't hesitate to reach out to me if you have questions or need assistance. We are here to serve you and your ministries. God Bless!

Jim Ducker, Treasurer



Leana Stunes, Conference Benefits Officer, center, thanks everyone for the gifts and opportunity to serve the Dakotas Conference for the past 14 years. Retiring on November 1, 2023, she was honored with gifts, applause, and a standing ovation. Her husband, Roger Stunes, right, was present for the recognition.

Apportioned Budget Overview 2024

Program Area	2023 Budget	2024 Budget	2024 Spending Plan	\$ Change Spending Plan*	% Change Spending Plan*
Developing Missional Leaders	\$ 402,466.00	\$ 371,723.00	\$ 371,723.00	\$ (30,743.00)	-7.6%
Equipping Missional Congregations	\$ 196,500.00	\$ 93,500.00	\$ 93,500.00	\$ (103,000.00)	-52.4%
Extending Missional Impact	\$ 617,488.75	\$ 1,136,805.00	\$ 681,440.47	\$ 63,951.72	10.4%
Generating Missional Resources	\$ 66,000.00	\$ 58,250.00	\$ 58,250.00	\$ (7,750.00)	-11.7%
Cabinet	\$ 697,336.50	\$ 658,772.00	\$ 658,772.00	\$ (38,564.50)	-5.5%
Support Services	\$ 1,332,187.00	\$ 1,199,330.89	\$ 1,199,330.89	\$ (132,856.11)	-10.0%
Subtotal	\$ 3,311,978.25	\$ 3,518,380.89	\$ 3,063,016.36	\$ (248,961.89)	-7.5%
Direct Bills to Churches - Pension and Insurance	\$ 2,775,041.00	\$ 2,323,362.98	\$ 2,323,362.98	\$ (451,678.02)	-16.3%
Subtotal	\$ 2,775,041.00	\$ 2,323,362.98	\$ 2,323,362.98	\$ (451,678.02)	-16.3%
Grand Total	\$ 6,087,019.25	\$ 5,841,743.87	\$ 5,386,379.34	\$ (700,639.91)	-11.5%

*Change is comparing the 2024 Spending Plan to the 2023 Budget.



JoAnn Schlimgen center, speaks to those present at the 2023 Annual Conference in Bismarck. Schlimgen is retiring after 41 years of service as the Assistant Director for Finance and Administration. Jim Ducker, far left, Dakotas Conference Treasurer, and Ken Schlimgen, center back, JoAnn's spouse, listen to JoAnn's comments of gratitude.

**Apportioned Budget Summary
2024**

Program	2022 Actual	2023 Budget	2024 Budget	2024 Spending Plan	\$ Change Spending Plan*	% Change Spending Plan*
<i>DEVELOPING MISSIONAL LEADERS</i>						
MISSIONAL LEADER LINK	\$ -	\$ 500.00	\$ -	\$ -	\$ (500.00)	-100.0%
LEADERSHIP DEVELOPMENT OFFICE	\$ 16,319.00	\$ 12,000.00	\$ 6,700.00	\$ 6,700.00	\$ (5,300.00)	-44.2%
BOARD OF ORDAINED MINISTRY	\$ 31,331.00	\$ 75,000.00	\$ 70,000.00	\$ 70,000.00	\$ (5,000.00)	-6.7%
MINISTERIAL EDUCATION FUND	\$ 5,231.00	\$ 21,216.00	\$ 20,373.00	\$ 20,373.00	\$ (843.00)	-4.0%
LAY SERVANT MINISTRY	\$ 2,349.00	\$ 2,500.00	\$ 2,300.00	\$ 2,300.00	\$ (200.00)	-8.0%
LAY LEADER	\$ 393.00	\$ 4,000.00	\$ 2,500.00	\$ 2,500.00	\$ (1,500.00)	-37.5%
CAMPING & YOUTH OFFICE	\$ 20,799.00	\$ 20,550.00	\$ 19,300.00	\$ 19,300.00	\$ (1,250.00)	-6.1%
CAMPING & RETREAT MINISTRIES	\$ 130,944.00	\$ 132,000.00	\$ 132,000.00	\$ 132,000.00	\$ -	0.0%
YOUTH LEADERSHIP DEVELOPMENT	\$ 6,011.00	\$ 13,000.00	\$ 10,500.00	\$ 10,500.00	\$ (2,500.00)	-19.2%
COUNCIL ON YOUTH MINISTRIES	\$ 18,836.00	\$ 40,000.00	\$ 30,800.00	\$ 30,800.00	\$ (9,200.00)	-23.0%
YOUNG ADULT & HIGHER ED	\$ 71,638.00	\$ 79,500.00	\$ 76,250.00	\$ 76,250.00	\$ (3,250.00)	-4.1%
SAFE & SACRED PLACES	\$ 5.00	\$ 1,700.00	\$ 1,000.00	\$ 1,000.00	\$ (700.00)	-41.2%
NOMINATIONS COMMITTEE	\$ -	\$ 500.00	\$ -	\$ -	\$ (500.00)	-100.0%
<i>DEVELOPING MISSIONAL LEADERS</i>	\$ 303,856.00	\$ 402,466.00	\$ 371,723.00	\$ 371,723.00	\$ (30,743.00)	-7.6%
<i>EQUIPPING MISSIONAL CONGREGATIONS</i>						
MISSIONAL CONGREGATIONS LINK	\$ -	\$ 500.00	\$ -	\$ -	\$ (500.00)	-100.0%
DIRECTOR OF MINISTRIES OFFICE	\$ 10,583.00	\$ 10,700.00	\$ 10,700.00	\$ 10,700.00	\$ -	0.0%
NEW CHURCHES	\$ 86,292.70	\$ 116,500.00	\$ 52,000.00	\$ 52,000.00	\$ (64,500.00)	-55.4%
LARGE CHURCH REVITALIZATION	\$ 15,253.00	\$ 50,000.00	\$ 16,500.00	\$ 16,500.00	\$ (33,500.00)	-67.0%
RURAL MINISTRY INITIATIVE	\$ -	\$ -	\$ -	\$ -	\$ -	-
TOOLS/TRAINING FOR CHURCHES	\$ 11,185.00	\$ 18,800.00	\$ 14,300.00	\$ 14,300.00	\$ (4,500.00)	-23.9%
<i>EQUIPPING MISSIONAL CONGREGATIONS</i>	\$ 123,313.70	\$ 196,500.00	\$ 93,500.00	\$ 93,500.00	\$ (103,000.00)	-52.4%
<i>EXTENDING MISSIONAL IMPACT</i>						
MISSIONAL IMPACT LINK	\$ 71.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ -	0.0%
GENERAL APPORTIONMENTS	\$ 948,043.00	\$ 474,838.75	\$ 1,029,305.00	\$ 573,940.47	\$ 99,101.72	20.9%
CONNECTIONAL MISSIONS	\$ 22,800.00	\$ 28,750.00	\$ 17,000.00	\$ 17,000.00	\$ (11,750.00)	-40.9%
CONFERENCE MISSIONARIES	\$ 141,750.00	\$ 113,400.00	\$ 90,000.00	\$ 90,000.00	\$ (23,400.00)	-20.6%
<i>EXTENDING MISSIONAL IMPACT</i>	\$ 1,112,664.00	\$ 617,488.75	\$ 1,136,805.00	\$ 681,440.47	\$ 63,951.72	10.4%
<i>GENERATING MISSIONAL RESOURCES</i>						
COUNCIL OF FINANCE & ADMIN	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ -	0.0%
FINANCE OFFICE	\$ 58,151.00	\$ 27,000.00	\$ 25,250.00	\$ 25,250.00	\$ (1,750.00)	-6.5%
EQUITABLE COMPENSATION	\$ 31,000.00	\$ 30,000.00	\$ 20,000.00	\$ 20,000.00	\$ (10,000.00)	-33.3%
D&O; WORKER'S COMP COVERAGE	\$ 35,493.00	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00	\$ 4,000.00	50.0%
<i>GENERATING MISSIONAL RESOURCES</i>	\$ 124,644.00	\$ 66,000.00	\$ 58,250.00	\$ 58,250.00	\$ (7,750.00)	-11.7%
<i>DISTRICT SUPERINTENDENCY</i>						
SHARED EXPENSES	\$ 9,395.00	\$ 10,000.00	\$ 9,400.00	\$ 9,400.00	\$ (600.00)	-6.0%
SOUTHEAST	\$ 69,049.00	\$ 78,824.50	\$ 75,778.00	\$ 75,778.00	\$ (3,046.50)	-3.9%
NORTHEAST	\$ 136,510.00	\$ 146,533.00	\$ 144,586.00	\$ 144,586.00	\$ (1,947.00)	-1.3%
NORTHWEST	\$ 136,121.00	\$ 145,135.00	\$ 147,154.00	\$ 147,154.00	\$ 2,019.00	1.4%
SOUTHWEST	\$ 142,238.00	\$ 147,544.00	\$ 147,554.00	\$ 147,554.00	\$ 10.00	0.0%
CONTINGENCY FUNDS	\$ 19,506.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	0.0%
INTRODUCTORY MEETINGS	\$ 8,998.00	\$ 6,000.00	\$ 6,500.00	\$ 6,500.00	\$ 500.00	8.3%
MOVING FUND	\$ 216,127.00	\$ 140,000.00	\$ 105,000.00	\$ 105,000.00	\$ (35,000.00)	-25.0%
DISTRICT SUPERINTENDENCY COMM	\$ -	\$ 500.00	\$ -	\$ -	\$ (500.00)	-100.0%
DISTRICT BUILDING & LOCATION	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ -	0.0%
RESPONSE TEAM	\$ -	\$ 2,300.00	\$ 2,300.00	\$ 2,300.00	\$ -	0.0%
<i>DISTRICT SUPERINTENDENCY</i>	\$ 737,944.00	\$ 697,336.50	\$ 658,772.00	\$ 658,772.00	\$ (38,564.50)	-5.5%

Apportioned Budget Summary 2024

Program	2022 Actual	2023 Budget	2024 Budget	2024 Spending Plan	\$ Change Spending Plan*	% Change Spending Plan*
<i>SUPPORT SERVICES</i>						
COMMUNICATIONS OFFICE	\$ 32,856.00	\$ 37,500.00	\$ 46,750.00	\$ 46,750.00	\$ 9,250.00	24.7%
UMCONNECT	\$ 19,552.00	\$ 26,500.00	\$ 24,500.00	\$ 24,500.00	\$ (2,000.00)	-7.5%
CONF SECRETARY/JOURNAL	\$ 1,599.00	\$ 5,125.00	\$ 2,850.00	\$ 2,850.00	\$ (2,275.00)	-44.4%
TRUSTEES	\$ 73,501.00	\$ 113,335.00	\$ 119,880.00	\$ 119,880.00	\$ 6,545.00	5.8%
CHANCELLORS	\$ 43,358.00	\$ 35,000.00	\$ 12,000.00	\$ 12,000.00	\$ (23,000.00)	-65.7%
ANNUAL CONFERENCE SESSION	\$ 98,667.00	\$ 65,785.00	\$ 31,185.00	\$ 31,185.00	\$ (34,600.00)	-52.6%
COMMON TABLE	\$ 1,410.00	\$ 11,000.00	\$ 20,300.00	\$ 20,300.00	\$ 9,300.00	84.5%
HUMAN RESOURCES COMMITTEE	\$ 675.00	\$ 1,250.00	\$ 750.00	\$ 750.00	\$ (500.00)	-40.0%
EPISCOPACY COMMITTEE	\$ 2,463.00	\$ 4,400.00	\$ 3,000.00	\$ 3,000.00	\$ (1,400.00)	-31.8%
ARCHIVES & HISTORY	\$ 38,119.00	\$ 39,950.00	\$ 40,575.00	\$ 40,575.00	\$ 625.00	1.6%
CONFERENCE CENTER OPERATIONS	\$ 867,252.00	\$ 992,342.00	\$ 877,540.89	\$ 877,540.89	\$ (114,801.11)	-11.6%
AREA OFFICE SUPPORT	\$ 17,000.00	\$ -	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	N/A
<i>SUPPORT SERVICES</i>	\$ 1,196,452.00	\$ 1,332,187.00	\$ 1,199,330.89	\$ 1,199,330.89	\$ (132,856.11)	-10.0%
<i>SAVINGS/TRANSITIONAL RESERVE</i>						
<i>GRAND TOTAL EXPENSES</i>	\$ 3,598,873.70	\$ 3,311,978.25	\$ 3,518,380.89	\$ 3,063,016.36	\$ (248,961.89)	-7.5%
<i>APPORTIONED INCOME (Gross)</i>	\$ 3,687,064.00					
<i>Adjustment</i> <i>(2023 apportionments from disaffiliations)</i>	\$ 121,707.61					
<i>APPORTIONED INCOME (Net)</i>	\$ 3,565,356.39					
<i>Net Income/Deficit</i>	\$ (33,517.31)					

*Change is comparing the 2024 Spending Plan to the 2023 Budget.



Rev. Ray Baker, left, incoming chair of the Council on Finance and Administration (CCFA), Rev. Bob Ruedebusch, center, outgoing CCFA chair, and Jim Ducker, right, newly elected interim treasurer, present the 2024 Budget Proposal at annual conference in Sioux Falls.

Pension and Insurance Detail

	2022 Budget	2022 Actual	2023 Budget	2024 Request
1 HealthFlex Premiums - Actives	1,482,915	1,657,062	1,430,603	1,573,020
Retiree Health Contributions (Via Benefits)	713,615	679,226	791,085	833,660
Via Benefits Admin VP Incentives	13,000	8,396	26,000	13,000
Medicare Part B	75,000	61,374	70,000	72,000
Allowance for Uncollected Premiums (1%)	30,000	-	14,000	12,000
HealthFlex Expenses	2,314,530	2,406,058	2,331,688	2,503,680
Absorbed Amount by HealthFlex Reserves	(113,000)	(56,500)	(105,000)	(300,867)
Direct Bill Churches	(1,482,915)	(1,533,912)	(1,430,603)	(1,121,811)
Direct Bill to Conference				(242,343)
Transfers from Retiree Health Fund	(713,615)	(700,000)	(791,085)	(833,660)
Investment Income - Deposit Acct	(5,000)	(5,201)	(5,000)	(5,000)
HealthFlex Offsets	(2,314,530)	(2,295,613)	(2,331,688)	(2,503,680)
Expenses Less Offsets	-	110,445	-	-
2 Pension Program Premiums				
CPP	250,830	253,558	253,899	195,354
CRSP-DC	243,472	248,337	245,528	194,866
CRSP-DB	680,624	680,624	623,132	618,734
UMPIP - Parish Contribution	254,482	259,861	250,386	192,598
Pre-82 Contribution	-	795,450	-	-
Allowance for Uncollected Premiums	14,000		7,000	6,000
Pension Expenses	1,443,408	2,237,829	1,379,945	1,207,552
Direct Bill Churches	(1,389,801)	(1,399,610)	(1,344,438)	(1,119,552)
Direct Bill Conference (Clergy Only)	(38,607)	(75,415)	(28,508)	(75,000)
Pre-82 Contribution (From Pre-82-Designated Fund)	-	(795,450)		
Endowment/Investment Income (Foundation Endowment)	(15,000)	(12,943)	(14,000)	(13,000)
Pension Offsets	(1,443,408)	(2,283,417)	(1,386,946)	(1,207,552)
Expenses Less Offsets	-	(45,588)	(7,001)	-
3 Benefit Grants	40,000	17,735	40,000	33,000
Program/Seminars, Stipends, Retiree Honarariums and AC Dinner	15,000	3,878	15,000	14,500
Benefits Office	111,000	108,208	112,000	153,770
Administration Expenses	166,000	129,821	167,000	201,270
Transfer from Endowment	(166,000)	(114,620)	(167,000)	(201,270)
Expenses Less Offsets	-	15,201	-	-
5 Board Expenses	10,000	2,866	10,000	9,500
Transfer from Endowment	(10,000)	(2,866)	(10,000)	(9,500)
Expenses Less Offsets	-	-	-	-
Total Pension & Insurance Expenses	3,933,938	4,776,574	3,888,633	3,922,002
Total Offsets	(3,933,938)	(4,696,516)	(3,895,634)	(3,922,002)
Balance	-	80,057	(7,001)	(0)
Total Direct Bill to Churches	(2,872,716)	(2,933,522)	(2,775,041)	(2,241,363)

**Due to rounding, small discrepancies can be found in the totals.*