



Upper New York Annual Conference

Of The United Methodist Church

THIS MEMO IS AN INTEGRAL PART OF THE 2011 BUDGET OF THE UPPER NEW YORK ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH

To: Members of the Upper New York Annual Conference of the United Methodist Church

From: Sherri L. Mackey  Treasurer/Director of Administration
William Gottschalk-Fielding  Director of Connectional Ministries

Date: August 25, 2010

Re: 2011 Budget Preparation and Assumptions

The Upper New York Annual Conference (UNYAC) is ready to set a financial direction for the 2011 year. The members of Council on Finance and Administration and the four senior executives have worked to design a budget plan that can carry us through our first full year with sufficient funding to continue operations, meet pressing needs, support inspiring programming, and grow the mission and ministry areas into which God is leading us.

The Process

In a traditional budgeting cycle for an annual conference, a call for budget submissions would go out to the chairs of various groups, committees, and boards for response several months in advance of an annual conference session. UNYAC, however, is in a unique position in that very few groups have had sufficient opportunity in the past two months to organize themselves to formulate a budget request and to begin their ministries in earnest. This means the traditional methods of budgeting could not work for our 2011 plan.

Under the assumption that 2011 presents a blank canvas, this budget has been created with an eye to capturing the functional components most critical to maintaining effective daily operations and, more importantly, to embracing the necessary flexibility to allow discretion and discernment by leadership as we navigate the path along which we are called. Those most closely involved with the development of the 2011 budget include the Treasurer, the Director of Connectional Ministry, the Director of Communications and the Benefits Officer. In addition, the Council on Finance and Administration discussed, reviewed, and critiqued the budget product during its development. The process also had benefit of input from some active groups such as the Conference Leadership Team, the Board of Ordained Ministry and Camp and Retreat Ministries regarding any specific costs associated with those ministries.

We are living into the vision and dreams for this conference and we are learning and growing along with our conference. There are and will continue to be many unknowns as we faithfully walk this path

together and our patience with the process of discernment will, prayerfully, add definition to the many elements of our new conference. It is our hope that this budget defines, in part, the way we view the formation process for mission and ministry within Upper New York and also describes the very real costs associated with doing business as the new entity that we have created.

Assumptions

Our primary assumption is that all work within the Upper New York Annual Conference is to be done with our vision in mind.

“To live the gospel of Jesus Christ and to be God’s love with our neighbors in all places.”

To transform this vision into a first-year budget, some assumptions were made. These include:

- All previous procedures, practices, funding, and budget structures are no longer in effect within the Upper New York Annual Conference. This has allowed UNYAC to start from the bottom up creating what will work for the new conference for processes, procedures, programs, ministries and missions. No area was left unaffected by this assumption and this building process will take time to form something that helps to fulfill our vision. The budget incorporates this new approach and direction and also gives the necessary flexibility for program decision-making to the Conference Leadership Team.
- The conference desires to move to a position whereby funds are directed primarily to program activities rather than to infrastructure and support services. This means, for example, we assume that all travel, hotel, and other meeting expenses will be kept to a minimum by each group that is operating. Groups will utilize electronic meeting mechanisms as much as reasonably possible. Groups, churches, camps, and conference operations will be managed with unnecessary and excessive expenditures eliminated.
- Adequate staffing and compensation are needed to operate an effective mission and ministry driven conference. Staff positions that are going to be continued will receive a 2% increase in wage or salary. Executive positions will receive no increase in compensation. However, many positions in the new conference will be newly created with new salaries and new wages applicable. Additional transitional funds included in this budget allow for potential severance payments for employees leaving employment at December 31, 2010.
- UNYAC is responsible for and has management control over all financial resources of the conference. All accounting for conference funds will be through the conference finance office. The alignment of apportionment dollars to specific district program budgets has been discontinued. All program work and requests must work through the Conference Leadership Team process for available funding. Centralization of financial activities opens up opportunity for those in the field to focus more directly on our neighbors’ needs.
- Book of Discipline “mandated” ministry areas need funding to allow them to organize under the direction of the Conference Leadership Team. Funds are made available for this purpose within this budget. As need arises and the groups form, the funds will be assigned to the specific groups by management and/or the Conference Leadership Team.
- Emerging Ministries funds are program funds under the direction of the Conference Leadership Team. The Conference Leadership Team will use these funds to resource the work of discerning, developing, and implementing new ministry initiatives and programs.

- This budget assumes that the senior Management Team and the Conference Leadership Team in conjunction with the Council on Finance and Administration have the authority to redirect significant funds from areas where they are not needed to the areas where funding is needed during the course of the year. This allows for timely responses to emerging and urgent needs within the conference.
- The churches, camps, districts, affiliated organizations, and the conference offices are all in connection and exist for the same purpose. The work of this Connection is done in large part by each and every church contributing 100% of their share of funding to the ministry of the Upper New York Annual Conference and to the General Church ministry. It is assumed that approval of funding by an annual conference is recognition of the obligation by the member churches to full participation in supporting the connection through their payment of Ministry Shares. With this understanding and with the recognition of the greater possible financial burden to churches incurred at this time of transition, it is assumed each and every church Conference Ministry Shares (i.e. the amount before the churches portion of General Church Apportionments) will remain constant for 2011. With this, it is expected that each and every church will meet its Ministry Share obligation in 2011. A process to evaluate requests from churches for reduced Ministry Share billings is being considered by the Council on Finance and Administration (CFA), but no such policy is expected to be implemented for 2011. Due to insufficient time for a complete evaluation, a ministry share formula is NOT being proposed by CFA for the new conference for 2011. A proposal will be made at the June 2011 Annual Conference to be effective for 2012.

God is leading all of us to something new, on a path to living out our vision. Through the necessity of funding this budget, we, as the Upper New York Annual Conference, are positioning ourselves to say "Yes!" to God's call to us, to love God, and to love our neighbors as we love ourselves.

"Our steps are made firm by the Lord, when he delights in our way;
Though we stumble, we shall not fall headlong, for the Lord holds us by the hand."
Psalm 3: 23-24

UPPER NEW YORK ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH
 MINISTRY SHARE BUDGET
 FOR THE YEAR ENDING DECEMBER 31, 2011

<u>Line No.</u>		<u>BUDGET 2011</u> <u>AMOUNT</u>
1	<u>GENERAL CONNECTIONAL MINISTRY</u>	
2	World Service	\$ 1,246,025
3	Other General Church Benevolences	\$ 1,008,932
4	General Church and Jurisdictional Administration	\$ 165,499
5	<u>SUBTOTAL GENERAL CONNECTIONAL MINISTRY</u>	<u>\$ 2,420,456</u>
6	<u>CONFERENCE CONNECTIONAL MINISTRY</u>	
7	Conference Benevolences	
8	<u>PROGRAM GRANTS</u> <i>(Transitional funding for existing programs including Hispanic/Latino Ministries, grants to other ethnic congregations and Campus Ministries)</i>	\$ 342,900
9	<u>ECUMENICAL MINISTRIES</u> <i>(Including Albany United Methodist Society, Schenectady Inner-City Ministries, and NYS Council of Churches)</i>	\$ 110,130
10	<u>RESOURCE LIBRARIES</u>	\$ 103,000
11	<u>CONFERENCE LEADERSHIP STRUCTURE</u> <i>(Includes Connectional Table, Conference Leadership Team, and Commission on Archives and History)</i>	\$ 122,000
12	<u>CAMP AND RETREAT MINISTRIES</u> <i>(Program and operation support for six sites)</i>	\$ 755,000
13	<u>BOOK OF DISCIPLINE MANDATED MINISTRY AREAS - "START-UP FUNDING":</u> <i>(Includes "start-up" funding available to Lay, young adult, older adult, small member church, Christian unity/inter-religious concern, higher education/campus, global, discipleship, church & society, native american, ethnic local church concerns, disability concerns, status & role of women, religion & race, and youth ministries.)</i>	\$ 238,000
14	<u>EMERGING MINISTRIES</u>	\$ 650,000
15	<u>SESSIONS 2011</u>	\$ 200,086
16	SUBTOTAL CONFERENCE BENEVOLENCES	<u>\$ 2,521,116</u>
17	Ministerial Support	
18	<u>CABINET AND DISTRICT OPERATIONS</u>	\$ 1,932,900
19	<u>CONFERENCE LEADERSHIP STRUCTURE</u> <i>(Includes Districting Task Force, Clergy Compensation Task Force, Safe Sanctuaries Task Force, Board of Pension Health Benefits, Administrative Review Committee, Committee on Investigation, and Episcopacy Committee)</i>	\$ 92,300
20	<u>BOARD OF ORDAINED MINISTRY</u>	\$ 168,000
21	<u>EQUITABLE COMPENSATION/SUSTENTATION/MOVING EXPENSE</u>	\$ 550,000
22	<u>GENERAL AND JURISDICTIONAL CONFERENCE TRAVEL RESERVE</u>	\$ 7,500
23	<u>EPISCOPAL OFFICE</u>	\$ 258,000
24	SUBTOTAL MINISTERIAL SUPPORT	<u>\$ 3,008,700</u>

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FOR THE YEAR ENDING DECEMBER 31, 2011**

<u>Line No.</u>		<u>BUDGET 2011 AMOUNT</u>
25	Conference Administration Ministry	
26	<u>OPERATIONS OF THE DIRECTOR OF CONNECTIONAL MINISTRY</u>	\$ 211,600
27	<u>OPERATIONS OF THE DIRECTOR OF COMMUNICATIONS</u> (Includes Annual Conference Sessions Audio Visual contracts and Technology Upgrades)	\$ 721,280
28	<u>COMPUTER SERVICES</u>	\$ 276,100
29	<u>OPERATIONS OF THE BENEFIT OFFICER</u>	\$ 330,650
30	<u>OPERATIONS OF TREASURER/DIRECTOR OF ADMINISTRATION</u>	\$ 561,000
31	<u>CONFERENCE OFFICE OPERATIONS/SUPPORT SERVICES</u>	\$ 230,000
32	<u>CONFERENCE LEADERSHIP STRUCTURE</u> (Includes Council on Finance and Administration, Communications Team, Leadership Development and Nominations Team, Personnel, and Board of Trustees)	\$ 133,500
33	<u>TRANSITIONAL COSTS</u>	\$ 304,000
34	SUBTOTAL CONFERENCE ADMINISTRATION MINISTRY	\$ 2,768,130
35	<u>SUBTOTAL CONFERENCE CONNECTIONAL MINISTRY</u>	\$ 8,297,946
36	GRAND TOTAL	<u><u>\$ 10,718,402</u></u>

37 * A fundamental assumption of this budget is all churches within the connection will pay 100% of their Ministry Share.

38 * The attached memo with explanatory narrative is an integral part of the 2011 budget for the Upper New York Annual Conference of the United Methodist Church.