

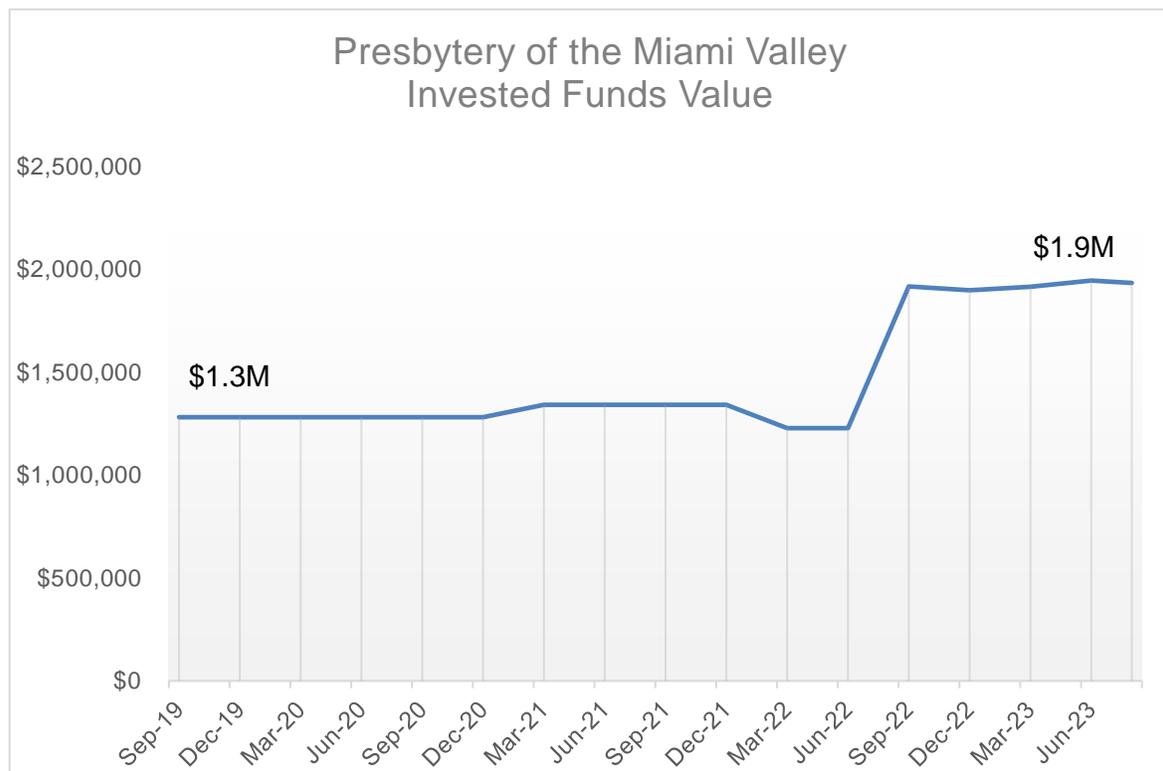
THE PRESBYTERY OF THE MIAMI VALLEY

2024 PROPOSED BUDGET EXPLANATORY COMMENTS

Background:

The 2024 PMV budget reflects the work being done to more fully live into our mission to Prepare, Equip, Nurture, and Connect congregations in their ministries for God's mission. The 2024 budget also represents the challenge of being the Church of Jesus Christ in a time of declining resources and layers of upheaval on social and political levels.

Before we look to 2024, we should reflect on the activities of 2023. Unlike 2022, no church properties were sold. However, we continue to benefit from the nearly \$1M of one-time revenue from three properties sold in 2022. The impact of this activity on our invested funds has been significant.



Withdrawals from our invested funds make up the gap between anticipated revenue and budgeted expenses. The proposed 2024 budget anticipates a draw \$123,859 (6.4%) of the current value (August 31, 2023) of our invested funds shown above. For perspective here is the recent budgeted withdrawal rate from our invested funds:

Budget Year	% Draw Budgeted from Invested Funds
2021	8.5%
2022	6.7%
2023	6.6%
2024	6.4%

We are grateful for those reserves which remind us of the faithfulness of God in providing us with resources to move courageously into an unknown future. We are confident that God is still moving among us and through us. In 2024 we expect to see the ways in which God will surprise us, doing far more than we could ever imagine.

Revenues:

1. Presbytery and Synod per capita rates are unchanged from 2023. The General Assembly per capita rate decreased by 0.5%.

Per Capita Connectional Support Rates			
Budget Year	Presbytery	Synod	General Assembly
2022	\$40.00	\$3.25	\$8.98
2023	\$40.00	\$3.25	\$9.85
2024	\$40.00	\$3.25	\$9.80
Change 2024/2023	0%	0%	-0.5%

In the last few years, PMV budgets have been developed with the assumption that congregations within the Presbytery have historically contributed about 85% the total amount apportioned in Connectional Support (i.e., Presbytery revenue) and Per Capita (i.e., Synod and General Assembly). However, based on an analysis of actual 2020, 2021 and 2022 giving, we are budgeting 2024 at the average percentages from 2020 – 2022 which was 91.6%:

This will result in a more accurate budget based on the actual giving patterns of the PMV churches. This assumption drives two important budget calculations. First is a reduction in our expected Presbytery Connectional giving due to the decline in membership from 6640 to 6061. Second is the more accurate “giving factor” as shown below, resulting in our budgeted Connectional Giving.

Impact of Shrinkage of Presbytery Connectional Giving					
Year	Membership	Connectional Giving Rate	Calculated amount 100%	Factor Applied	Budget Amount
2023	6640	\$40.00	\$265,600	85%	\$225,760
2024	6061	\$40.00	\$242,440	91.6%	\$221,991
				Budget Change 2024-2023	\$3,769

The Presbytery has committed for many years to pay the full calculated Per Capita amount to General Assembly and Synod as a sign of our important relationship to the councils of the Church. In other words, PMV reaches into revenue (i.e., invested funds) to make Synod and GA whole for any shrinkage from our member churches. For 2024, this shrinkage amount is \$6,671, see below.

Impact of Shrinkage of Synod and GA Per Capita Giving							
Year	PMV Membership	Council	Per Capita	Total Paid by PMV to GA or Synod	Shrinkage Factor	Budgeted amount	Amount of shrinkage PMV covers
2024	6061	Synod	\$3.25	\$19,698 Line 530.102	91.6%	\$18,037 Line 430.102	\$1,661
		GA	\$9.80	\$59,398 Line 530.101	91.6%	\$54,388 Line 430.101	\$5,010
						Total shrinkage	\$6,671

- In summary, since operating expenses are expected to exceed operating revenues, the \$123,859 drawn from our invested fund is 6.4% of the value \$1,932,694 of our invested funds as of August 31, 2023.

Expenditures:

- The Leadership Council has recommended a 2.5% increase in total compensation for the Executive Presbyter and Stated Clerk for 2024. The 2024 Budget reflects this 2.5% increase. Increases for Bookkeeper and IT/Communications position are also at 2.5% for 2024. The Treasurer is currently a volunteer, unpaid position.
- The approval of this 2024 Presbytery budget will be deemed approved for the following full-time terms of call for Minister of the Word and Sacrament Terry Kukuk as Executive Presbyter for 2024 and shall be included in the official minutes:

Description	Line Item	Amount
Exec Presbyter Salary	501.100	\$60,977
Exec Presbyter Housing	501.101	\$19,140
Exec Presbyter SECA	501.102	\$6,588
Exec Presbyter Pension/Disability	501.103	\$8,612
Exec Presbyter Medical	501.104	\$24,974
Exec Presbyter Professional Exp	501.106	\$9,000
Exec Presbyter Supplemental Medical	501.107	\$6,000
Exec Presbyter Education	501.108	\$3,000
	Total	\$138,291

3. The approval of this 2024 Presbytery budget will be deemed approval for the following part-time (30 hours) terms of call for Minister of the Word and Sacrament Lynette Bova as Stated Clerk for the Presbytery of the Miami Valley for 2024 and shall be included in the official minutes:

Description	Line Item	Amount
Stated Clerk Salary	501.110	\$20,823
Stated Clerk Housing	501.111	\$30,000
Stated Clerk SECA	501.112	\$4,538
Stated Clerk Pension/Disability	501.113	\$5,932
Stated Clerk Medical	501.114	\$17,204
Stated Clerk Professional Exp	501.115	\$5,500
Stated Clerk Supplemental Medical	501.116	\$5,000
Stated Clerk Education	501.117	\$2,200
Stated Clerk Deferred Compensation	501.118	\$3,000
	Total	\$94,197

4. Line item 501.401 increases slightly for 2024 as our policy requires alternating Audit (2024) and Review (2023).
5. Network Committee Expense (501.259) remain the same at \$20,000. The various line items that make up this \$20,000 are shown below this line item for information (line items 501.260 – 501.276).