

A Breakdown of the Increased Expenses in the 2018 Budget

Known Increases in Fixed Costs

2% COLA	7,554	
Diocesan Assessment	3,161	
Total Fixed cost increases		\$10,715

Increases adopted by the Vestry

Sabbatical	5,000	
Ministries	2,500	
Reserves	2,000	
Computers	2,200	
Total additional increases		\$11,700

Total increases **\$22,415**

Pledge increase needed to cover 2018 expenses **5.5%**

Explaining the Increases

Fixed Costs

2% COLA

Every Year our Diocesan Convention adopts a minimum Compensation Resolution. A Cost of Living Increase is derived from a blended formula consisting of four economic indicators by the Professional Standards and Support Committee. Our 2018 draft budget was prepared with an assumed COLA of 2%. Since the adoption of that budget the Diocese has published the report of the Professional Standards and Support Committee calling for a 2.5% increase.

Diocesan Assessment

All Parishes in the Episcopal Church support the work of their Diocese and of the larger church through the payment of assessments. In the Diocese of Milwaukee our assessments are calculated based on our income using a three year rolling average. Because our income has gone up over the last several years our assessment has also gone up.

Additional Increases adopted by the Vestry

Sabbatical Fund

Both Mother Dorota and Father Andy's contracts with Saint Andrew's call for the funding of a sabbatical after 5 years of service. Those contracts stipulate that the parish is responsible for funding up to \$20,000 per sabbatical.

Mother Dorota will be eligible for a sabbatical after June of 2018. Father Andy will be eligible for a sabbatical in January of 2019.

The Sabbatical Fund balance is currently \$25, 085.

The 2017 budget funds the Sabbatical Fund at \$3,000

At current funding levels the Sabbatical Fund will be \$12,650 short in January of 2019.

In order to fully fund our contractual commitment for sabbaticals, without dipping into reserve funds, we would need to increase current funding by \$9,650 in 2019

Ministries

Over the last several years, as we have worked to grow into our current staffing configuration, we have struggled to maintain a balanced budget and reduce the impact on our cash reserves. The success of last year's stewardship campaign has moved us into position to re fund some of the ministries which have lost ground over the last several years.

The 2018 draft budget includes an additional \$1,000 for both Children and Youth Formation, and an additional \$500 for Altar Guild.

Budget Comparison

	2013	2015	2017	2018 (Proposed)
Altar Guild	\$4,700	\$1,500	\$750	\$1,250
Children's Ministry	\$2,000	\$500	\$800	\$1,800
Youth Ministry	\$1,300	\$700	\$750	\$1,750
Totals	\$8,000	\$2,700	\$2,300	\$4,800

Reserve Funds

At the April Vestry meeting, held on May 3rd the Vestry approved a motion establishing a funding goal for the reserves equaling three months of operating expenses.

At the end of May our reserves total \$116,442

Three months of Operating expenses in the 2017 budget equals \$118,060

Computers

The desktop computer in Mother Dorota's office is six years old. The laptop in Father Andy's office is 5 ½ years old. Both computers are beginning to fail. We have been told that neither of them has the resources to efficiently run Window's 10 and that every time Microsoft pushes out another Windows 10 update these computers will get slower and less reliable. The additional finds in the draft budget are for the purchase of two desk top systems.