

Community of Christ



MICHIGAN MISSION CENTER

To: Pastors & CFOs
From: Jessica Montague, MCFO
Date: August 19, 2020
Re: 2021 Budget Materials

Enclosed is information regarding the 2021 Michigan Mission Center Budget. Thank you for taking the time to read this information thoroughly and for sharing it with your congregations. This packet includes the following information:

- 1) **2021 Mission Center Preliminary Proposed Budget**, as well as a side-by-side 2020 budget, the actual year ending 2019 budget, and current financial statements. Also included is a 2021 **Budget Narrative** that explains the use of the line items in the proposed budget, and a congregation commitment pledge form. The Mission Center Officers remain committed to avoiding requests for increased funding by reducing expenses and are hopeful congregations will maintain their current level of support.
- 2) **Campgrounds Budgets** - We are not including any of the proposed campground budgets, but the mission center is collecting the support commitments for the campgrounds. The campground budgets will be shared later this year.
- 3) **Congregation Response Form** – Please send a response **after your congregation's business meeting** that approved the financial support for the Mission Center, the Campgrounds, or other suggested ministries. *The completed Response Forms are due to the Mission Center **no later than September 30, 2020.***

Please do not hesitate to contact me by email at jessica@cofchristmi.org with any questions or concerns you have regarding the budget process.

Thank you,

Jessica

**Community of Christ - Michigan Mission Center
Budget Income Statement as of July 31, 2020**

	2020	2020	% of
<u>INCOME</u>	<u>Budget</u>	<u>Y-T-D Actual</u>	<u>Budget</u>
Congregational Support	\$ 111,000.00	\$ 60,333.80	54.35%
Envelope Contributions	20,000.00	8,314.82	41.57%
Investment Earnings for Mission Support	33,000.00	-	0.00%
Transfers from Designated Ministry Funds	2,500.00	-	0.00%
Funding for Invitation Support Minister	-	9,365.55	0.00%
Congregation Services Income	2,000.00	975.00	48.75%
Interest Income	2,000.00	1,546.60	77.33%
Other Income	4,000.00	38.66	0.97%
TOTAL INCOME	<u>\$ 174,500.00</u>	<u>\$ 80,574.43</u>	<u>46.17%</u>
<u>EXPENSES</u>			
Audit	\$ 550.00	-	0.00%
Equipment Replacement & Maintenance	750.00	141.78	18.90%
Insurance	2,400.00	2,115.70	88.15%
Licenses & Fees	750.00	439.00	58.53%
Miscellaneous/Pastoral Care	500.00	41.54	8.31%
Office Lease	2,800.00	1,400.00	50.00%
Office Supplies	750.00	21.18	2.82%
Salaries and Benefits	154,000.00	59,053.17	38.35%
Invitation Support Minister Salary	-	9,365.55	0.00%
Payroll Processing Fees	2,000.00	1,282.56	64.13%
Communications	3,500.00	1,456.72	41.62%
Volunteer Travel Support	1,000.00	-	0.00%
Disciple and Leadership Formation	2,500.00	312.69	12.51%
Congregational Mission Expansion Grants	\$ 3,000.00	\$ 1,136.53	37.88%
TOTAL EXPENSES	<u>\$ 174,500.00</u>	<u>\$ 76,766.42</u>	<u>43.99%</u>
NET INCOME (LOSS)		<u>\$ 3,808.01</u>	

**Community of Christ - Michigan Mission Center
Balance Sheet as of July 31, 2020**

ASSETS:

Cash & Investments:

Checking Account, Huntington Bank	\$ 89,972.03
Checking Account, Fifth Third	5,101.64
World Church Affiliate Investment Pool A	1,170,048.23
World Church Affiliate Investment Pool B	164,341.58
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<i>Total Cash & Investments</i>	\$ 1,429,463.48

Receivables & Other Assets:

Accounts Receivable	\$ 8,809.96
Accounts Receivable - Payroll Services	3,182.02
Notes Receivable - CCM Land Contract	-
Notes Receivable - The Woodlands	52,420.77
Notes Receivable - Blue Water Campground	25,000.00
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<i>Total Receivables</i>	\$ 89,412.75

TOTAL ASSETS

\$ 1,518,876.23

LIABILITIES:

Accounts Payable - Mission Center	\$ 1,390.34
Accounts Payable - World Church	\$ -

TOTAL LIABILITIES

\$ 1,390.34

NET ASSETS:

Ministry Program Funds:

	<u>Balance Jan. 1</u>	<u>Income</u>	<u>Expense</u>	<u>Current Balance</u>
Operating Reserve Fund	\$ 104,705.00	\$ 80,574.43	\$ 76,766.42	\$ 108,513.01
Youth Camp Ministries Fund	23,682.39	13,606.24	6,162.67	31,125.96
Reunion Program Fund	13,023.90	5,301.35	874.58	17,450.67
SPECTacular Fund	3,138.28	2,970.81	-	6,109.09
Youth Ministries Fund	23,703.03	2,896.48	-	26,599.51
Mission Center Conferences Fund	8,554.40	-	11.76	8,542.64
Detroit Properties Fund	53,146.16	4,240.00	6,077.02	51,309.14

Conference Designated Funds:

New Expressions Program Fund	10,212.86	160.00	5.02	10,367.84
Carleton Sale Fund	157,152.60	-	8,161.46	148,991.14
Camping & Gathering Ministries Fund	108,581.96	60.00	1,117.74	107,524.22
Disciple Development Fund	64,855.00	-	-	64,855.00

Investment Funds:

Operating Investment Fund	905,619.48	150,583.58	214,376.43	841,826.63
Youth Camp Investment Fund	47,919.94	36,516.48	-	84,436.42

Pass-Through/Other Funds:

Equity in Notes Receivable	6,532.26	-	6,532.26	-
Campgrounds General Fund	-	13,578.31	394.63	13,183.68
Contemporary Christian Ministries (CCM)	-	6,704.96	6,704.96	-
Congregational & Campground Funds	-	7,584.73	10,933.79	(3,349.06)

TOTAL NET ASSETS

\$ 1,530,827.26 \$ 324,777.37 \$ 327,184.95 \$ 1,517,485.89

TOTAL LIABILITIES & NET ASSETS

\$ 1,518,876.23

Michigan Mission Center

Summary of Funds

August 19, 2020

Operating Reserve Fund

This fund captures any retained earnings and absorbs any deficits for the annual operating income and expenses for the mission center. The Investment Policy defines the maximum balance that should be retained in the account each year.

Youth Camp Ministries Fund

As of early March 2016, the mission center officers determined that it would be most appropriate to consolidate all youth camp ministries into one fund rather than tracking each campground/camp in separate funds. An additional amount was added from the net proceeds of the CCM sale.

Reunion Program Fund

This fund was set up to track the income and expenses for reunions throughout each year. As of 2020, this fund also holds the cumulative surplus from prior year family camps held at The Woodlands Campgrounds and the Reunion Reserve funds. The Reunion Reserve was initially funded with the cumulative surplus remaining from reunions held at Camp Manitou. At the end of 2016, similar amounts (approximately \$3500.00) from the Park of the Pines, Blue Water, and Sanford reunions were transferred into this account to be held to cover future shortfalls in reunion budgets. The expectation is that any funds dispersed to a reunion budget will be returned the following year. The remaining fund balances in each reunion account was transferred to the campground boards.

Spectacular Fund

This fund is set up to track the income and expenses for SPEC throughout each year and holds the cumulative balance from prior years.

Youth Ministries Fund

This fund was initially established through mission center conference action on November 8, 2014 that reclassified the former Youth Minister Fund that originally came into the Michigan Mission Center from the Southern Great Lakes International Mission Center. When the fund was reclassified, the purpose was designated to provide additional support to youth ministries such as International Youth Forum, Spectacular, and other youth related expenses. At the January 9, 2016 Michigan Mission Center Council meeting, a recommendation from the mission center officers was considered by the Council regarding consolidating two other youth funds (Friday Knights and Saturday Knights) into the Youth Ministries Fund. That action received agreement and was made retroactive to December 31, 2015. Additional funding is being added from the net proceeds of the CCM sale.

Mission Center Conferences Fund

This fund originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. It continues to be used to track the income and expenses related to the mission center conferences held each year.

Detroit Properties Fund

This fund originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. The church owned four vacant lots in the City of Detroit. This fund records all the expenses related to those vacant lots for property taxes and other fees. As of July 15, 2017 the only remaining vacant property was at 16786 Greydale. The sale process for that property is expected to be completed before year-end 2020. As of 2020, the Detroit Properties Fund also holds the Redford Center Office Fund and the Redford Center Office Improvement Fund.

The Redford Center Office Fund originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. The fund is used to report the rental income and expenses received for the office space at the former Detroit International Stake Office, also known as the Redford Center Office located at 16631 Lahser Road in Detroit. As of March 2016, Northwest Detroit Neighborhood Development (NDND) is leasing the top half of the building for \$650 per month rent plus utilities.

The Redford Center Office Improvement Fund originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. The fund was initially established by the Southern Great Lakes International Mission Center at its final conference on March 27, 2010. The intention of the fund was to ensure funding was available for major repairs or maintenance that may be needed for the former Detroit International Stake Office, also known as the Redford Center Office located at 16631 Lahser Road in Detroit.

New Expressions Program Fund

Previously named Church Plant Program Fund, it originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. A resolution was considered and approved at the November 8, 2014 Mission Center Conference that continued the initial designated purpose of the fund. That resolution indicated that the fund would be "used for church plant program funding requests/projects and/or may be used to offset the annual Operating Fund budget of the Michigan Mission Center as needed to support Church Plant programs." While staying true to the intended purpose but recognizing the broadening scope of ministries that could be considered church plants, the Mission Center Officers with support from the Mission Center Council changed the name of the fund to New Expressions Program Fund to better align with our mission and focus.

Carleton Sale Fund

This fund originally came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. The fund was initially established by the Southern Great Lakes International Mission Center at its final conference on March 27, 2010. The approved purpose for the fund is to provide support of the Detroit Hope facility. The resolution also provided that if there is an excess of funds available at some future date that are not needed for the Detroit Hope facility, that those excess funds may be reallocated for the use of either Journey House Campus Ministry Center or a future church plant.

Camping & Gathering Ministries Fund

This fund holds net proceeds from the sale of Camp Manitou and the surplus from past women's and men's retreats that were sponsored by the mission center at the various Michigan campgrounds. It is anticipated that these funds could be accessed by a grant from congregations (or groups of congregations) wishing to hold such retreats as the mission center is no longer sponsoring these type of retreats as of January 1, 2016.

Disciple Development Fund

This fund was initially established at the November 8, 2014 mission center conference with the proceeds from the sale of the Fargo and Harbor Beach congregation buildings and their remaining fund balances. At the November 7, 2015 mission center conference, a resolution was considered and approved that amended the initial resolution and allocated one-half of the funds from the closed Fargo Congregation to the Sixth Street Congregation. That action resulted in a transfer of \$23,370.29 being provided to the Sixth Street Congregation from the original funds. The intention of the fund is to assist individuals in the Michigan Mission Center with registration fees and travel expenses for World Church, Mission Center, and Field experiences, such as, but not limited to, Conferences, Peace Colloquy, MEADS (Ministerial Education and Discipleship Studies), Community of Christ Seminary, and other trainings. A committee was established by the Mission Center President to establish guidelines and administer the fund.

Operating Investment Fund

Created in 2020, the Operating Investment Fund holds the Administrative Support Fund, Mission Support Fund and Earnings from Investment Account Fund.

The Administrative Support fund was initially funded with the proceeds from the Eastland congregation building. A resolution was approved at the November 7, 2015 mission center conference designating the sale funds for this purpose and also indicating that future land contract payments would be deposited into this fund. Additional funds were added to the fund when the most current Fiscal and Investment Policy was adopted with an effective date of December 31, 2015 that dissolved the former General Reserves Fund and transferred one-half of that fund to the Administrative Support Fund. The purpose of the fund is to provide funding for mission through expenses such as administrative salaries and benefits and office-related expenses and the funds are available to support the annual mission center budget for administrative needs.

This Mission Support fund is referenced in the current Fiscal and Investment Policy. Initial funding was received when the former General Reserves Fund was dissolved on December 31, 2015 and one-half of the funds were transferred to the Mission Support Fund. Per the Investment Policy, the Mission Support Fund shall be managed as if it were an

endowment. The intent of this fund is to maintain and grow principal so that a long-term, stable source of income is available each year. Earnings from the Mission Support Fund will be committed to support mission center programs and missionary opportunities.

The Earnings from Investment Account fund holds the cumulative earnings and losses for the Affiliate Investment Pool accounts that are not designated for other purposes. The earnings are available to support the annual operating budget of the mission center utilizing the church's recommended spending rate per the Investment Policy.

Youth Camp Investment Fund

This fund originally named the Youth Camp Scholarship Fund came into the Michigan Mission Center on January 1, 2011 when the four previous mission centers consolidated. Additional income is received into the fund through offering envelope contributions and offerings at mission center conferences during the business session, from the net proceeds of property sales and budgeted congregational support. Since moving to generosity-based funding for youth camps in 2019, this fund can be used to hold the surplus and cover any shortfalls for the Youth Camping Program.

Equity in Notes Receivable

This fund consists of the notes receivable balance for the land contract sale of the Contemporary Christian Ministries (CCM) church facility. Since the land contract has been paid in full, this fund will cease to exist in 2021.

Campgrounds General Fund

This fund is used to report the income from those congregations who have chosen to provide campground support to all the Michigan campgrounds by supporting the Campgrounds General Fund. Distributions from the fund will be designated to support the campgrounds being operated by the mission center. This fund also receives some occasional offering envelope contributions.

Contemporary Christian Ministries (CCM) Fund

The Contemporary Christian Ministries congregation in Burton, Michigan closed effective November 29, 2015. At that time, the building became the responsibility of the mission center. When the building was sold, the proceeds were placed in this fund. When the leadership of the congregation was asked prior to the time of closing if there were any specific desires or recommendations for what some of the proceeds may be used for once the building sold, the suggestion provided was that funding for hunger ministries would be appreciated and would be very much in line with the ministries that the congregation provided while it was in existence as an active ministry. A resolution passed at 2016 Fall Conference directed 10% of the net proceeds be sent to Worldwide Mission Tithes to support Abolish Poverty and End Suffering, and 5% of the net proceeds be allocated to the mission center's Youth Camp Ministries Fund. The remaining proceeds were distributed equally between the mission center's Youth Ministries Fund, and the Youth Camp Scholarship fund in July 2020. This fund will cease to exist in 2021.

Congregational and Campground Funds

This fund represents the funds of congregations and/or campgrounds being held and managed by the mission center, typically during the sale process.

**Community of Christ - Michigan Mission Center
2021 Preliminary Proposed Budget**

	2019	2020	2021
<u>INCOME</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Congregational Support	\$ 128,047.33	\$ 111,000.00	\$ 106,500.00
Envelope Contributions	15,501.53	20,000.00	15,000.00
Investment Earnings for Mission Support	11,755.11	33,000.00	-
Transfers from Designated Ministry Funds	1,518.58	2,500.00	5,500.00
Congregation Services Income	2,337.50	2,000.00	4,000.00
Interest Income	5,652.95	2,000.00	-
Other Income	5,945.75	4,000.00	5,000.00
TOTAL INCOME	<u>\$ 170,758.75</u>	<u>\$ 174,500.00</u>	<u>\$ 136,000.00</u>
<u>EXPENSES</u>			
Audit	\$ 481.17	\$ 550.00	\$ 550.00
Equipment Replacement	422.76	750.00	500.00
Insurance	1,929.00	2,400.00	2,500.00
Licenses & Fees (copyright, etc.)	459.03	750.00	700.00
Miscellaneous/Pastoral Care	30.00	500.00	250.00
Office Lease	2,800.00	2,800.00	-
Office Supplies	332.94	750.00	500.00
Salaries & Benefits	146,001.62	154,000.00	120,000.00
Payroll Processing Fees	1,705.53	2,000.00	2,000.00
Youth Camp & SPEC Ministries	9,778.34	-	-
Communications	2,148.66	3,500.00	3,000.00
Volunteer Travel Support	151.12	1,000.00	500.00
Disciple & Leadership Development	1,518.58	2,500.00	2,500.00
Congregation Mission Expansion Grants	3,000.00	\$ 3,000.00	3,000.00
TOTAL EXPENSES	<u>\$ 170,758.75</u>	<u>\$ 174,500.00</u>	<u>\$ 136,000.00</u>
NET INCOME (LOSS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Michigan Mission Center 2021 Proposed Budget Narrative

INCOME

Congregational Support: The support commitments that are pledged by each congregation and included in their budget to support the ministries of the mission center. It is our hope that your congregation will continue the current level of support to the mission center operating budget. Congregations with capacity for increased giving are encouraged to increase commitments to campgrounds, youth camp ministries, Spectacular, Journey House or Worldwide Mission Tithes.

Envelope Contributions: Contributions from individuals who mark their offering envelopes with a personal gift to the mission center. These special offerings are forwarded from the congregation CFO to the mission center and are included as part of a person's local mission tithes on their tithing statement.

Investment Earnings for Mission Support: This line item provides income support by using the investment earnings from some of our fund balances. The amount is typically calculated at 4% or less and taken from the account balances of the Operating Fund Reserves or Operating Investment Fund (previously the Earnings from Investment Fund, Administrative Support Fund, and Mission Support Fund). Given the loss on some of the Investments thus far in 2020, we are not anticipating drawing from the Investment Earnings to support the 2021 budget.

Transfers from Designated Ministry Funds: We will transfer an amount from the Disciple Development Fund for Disciple and Leadership Formation expenses and the New Expressions Fund for Mission Expansion Grants. If the congregation support commitments fall short of the proposed amount, transfers from the Operating Reserve Fund, Operating Investment Fund, and/or other designated funds, may be added to this line item to balance the income with the expenses.

Congregation Services Income: Income received from congregations for which the mission center provides administrative services such as payroll and CFO duties such as bookkeeping and Shelby entries.

Interest Income: Allocated interest we receive from the Affiliate Investment Pool B accounts.

Other Income: Miscellaneous income that we receive that is not included in any of the previous categories. This would include previous year's support payments made in the current year.

EXPENSES

Audit: Fees associated with the annual audit of mission center financial records.

Equipment: This includes the copier maintenance agreement.

Insurance: For office contents, liability coverage, and worker's compensation insurance.

Licenses & Fees: Copyright license fees for music, and Percept demographic reports.

Miscellaneous/Pastoral Care: Miscellaneous expenses not covered by the previous categories.

Office Lease: Previously budgeted line item for office space prior to changing locations.

Office Supplies: Materials used in generating information and mission center business.

Salaries and Expenses for Staff: This includes salaries and benefit costs, reimbursement for travel expenses for staff and a small buffer for possible benefit changes for the following mission center staff:

Mission Center President Team	Dan Nowiski (19 hours/week), Adam Bouverette (5 hours/week) Erica Nye (5 hours/week)
Mission Center Financial Officer	Jessica Montague (30 hours/week)
Assistant MCFO	Jack Tigner (5 hours/week)
Invitation Support Minister	Linda Stanbridge (15 hours/week)

Note: The Camp Coordinator position has not been eliminated. That position will be funded through the Youth Camping Fund rather than the mission center operating budget.

Payroll Processing Fees: Fees associated with mission center payroll and Paycom, the payroll processing company we use.

Youth Camp & SPEC Ministries Support: Previously budgeted line item now funded through designated funds and direct ministry support.

Communications: This includes expenses for internet, telephone, website, postage, Church Updates, Zoom and other means used in communicating the business of the mission center.

Volunteer Travel Support: Mileage reimbursement for mission center volunteers providing programs and support to congregations.

Disciple and Leadership Formation: Funding for disciple and leadership development formation and training.

Congregation Mission Expansion Grants: Funding assistance for congregations seeking to expand their ministries in alignment with the mission initiatives.



Community of Christ

2021 Congregation Support Commitment Pledge Form

Congregation Name _____

At our Congregation's Business Meeting which was held on _____, we voted to financially support mission in 2021 with the following commitments:

	<u>2021 Total Commitment Pledge</u>
Mission Center Operating Budget	\$ _____
Youth Camping Fund	\$ _____
Journey House Campus Ministries	\$ _____
Spectacular Fund	\$ _____
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Blue Water Campgrounds	\$ _____
Park of the Pines Campground	\$ _____
Sanford Campgrounds	\$ _____
The Woodlands Campground	\$ _____
Campgrounds – General Support	\$ _____
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World Mission Tithes	\$ _____
Bridge of Hope Project	\$ _____

The above amounts will be paid on a monthly basis unless we choose to pay a larger amount in advance. *(Please attach a copy of your Congregation's Business Meeting Minutes to this Form)*

Signature

Signature

Printed Name & Title

Printed Name & Title

This form should be signed by the Pastor and/or the CFO. Please keep a copy for your records.

Please reply no later than September 30, 2020.

Mail to: Jessica Montague, 1322 Pinehurst Ave, Flint, MI 48507. Email to: jessica@cofchristmi.org