Administration Committee Report to Presbytery

November 2026

The Administration Committee has recommended a budget for 2027 totaling $1,423,941. While this budget addresses the anticipated needs and expenses of the Presbytery, it will require the use of essentially all remaining unrestricted reserves, and will require mid-year income efforts and cost control. Careful financial planning and meaningful adjustments will be necessary during 2027 to develop a sustainable and balanced budget for 2028.

The Committee wishes to express its appreciation to committees, commissions, and the ministry groups, for their thoughtful work in identifying opportunities to reduce expenses and for providing accurate projections of anticipated costs. This cooperation has been invaluable in finding the savings that are already incorporated in this budget. Looking ahead, we anticipate the need for careful conversations throughout 2027 regarding expense management, future staffing levels, and staff compensation. Significant factors contributing to increased expenses are COLA and the continual rise in health insurance costs. In addition, the new FAMLI (Family and Medical Leave Insurance) payroll deductions are to start in Jan. 2027 and leave benefits become active in Jan 2028.

The Committee also anticipates requesting an increase in the annual distribution from the Trustees' endowment, from the 4.5% it is at present to 4.75%. In addition, we believe it is important for the Presbytery to examine how its existing resources are allocated and whether some funds might be available for purposes other than those to which they are currently assigned. This broader conversation about the use of Presbytery resources deserves our attention.

A particular concern is the growing shortfall between per capita contributions and the expenses traditionally supported by those contributions. Through 2025, accumulated per capita reserves were sufficient to cover these deficits. However, those reserves have now been exhausted, requiring the Presbytery to reconsider how these expenses are funded and allocated.

Finally, shared ministry support remains in a healthy position. Appropriate financial controls are in place to ensure that shared ministry expenditures remain within the contributions received. We appreciate the vision and generosity of the churches.

The Administration Committee remains committed to responsible stewardship of the Presbytery's resources. We recognize that the financial challenges ahead will require thoughtful collaboration, careful decision-making, and a willingness to consider changes in how we support the work and ministry of the Presbytery.