

Council on Finance and Administration

Budgets for 2012, as approved by the
New York Annual Conference

June 11, 2011

Book of Discipline, ¶614: “The council shall recommend to the annual conference for its action and determination budgets of anticipated income and proposed expenditures for all funds to be apportioned to the churches, charges, or districts.



How much does the New York Annual
Conference need to raise from local
churches to enable local church ministries
and regional and worldwide missions?
(Our projection for 2012:)

\$16,349,442

Three apportionment formulas for three types of expenses:



Shared
Ministries



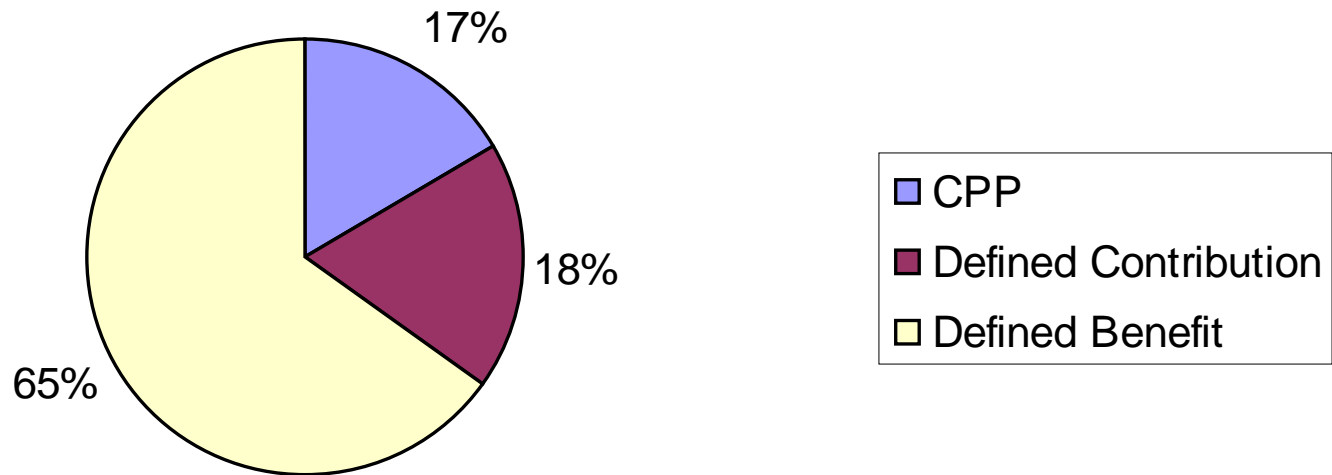
Pension
for
clergy



Health
Ins. for
active
clergy

Clergy Pension Expense—\$3,378,644

Pension pie chart



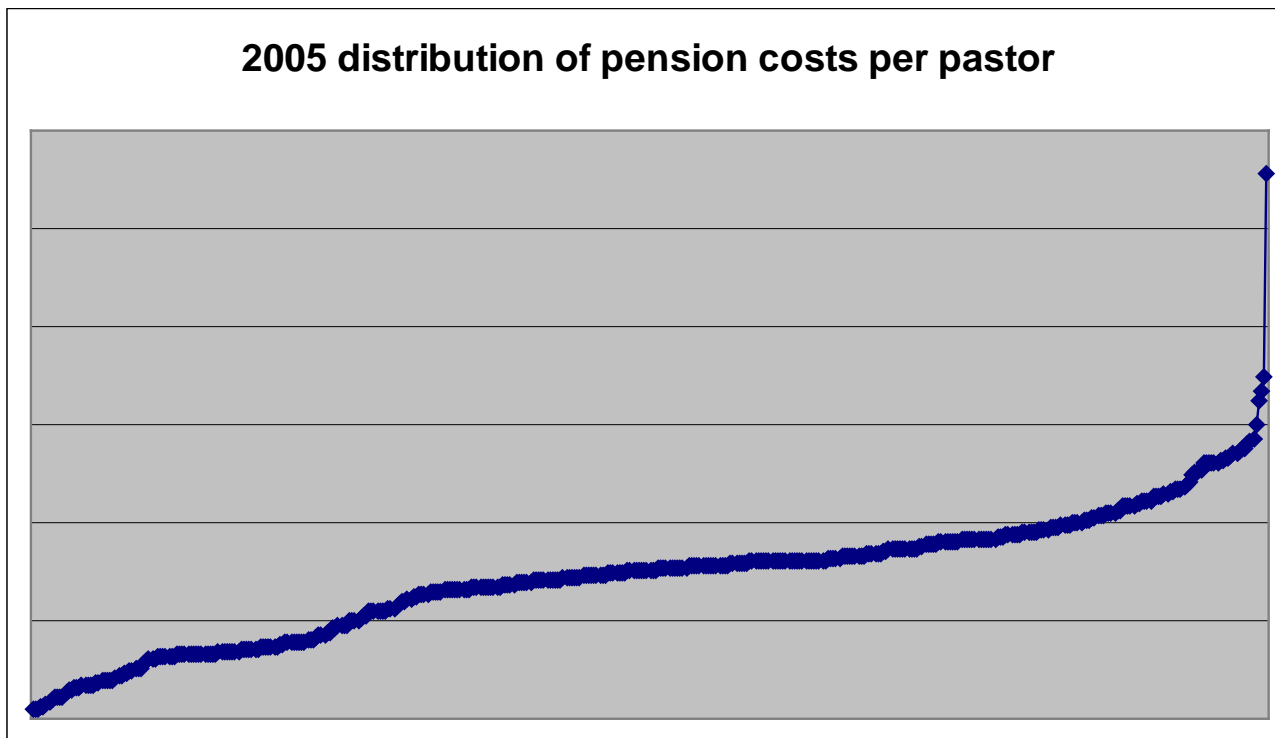
How Clergy Pension Expense is apportioned

- Take Participant's Salary.
- Multiply by 125% if Church provides a parsonage.
- Add Housing Allowance, if any.
- Multiply this by 17.4%.
- This is billed to the Church for each Participant.

How Clergy Pension Expense is apportioned—an example

- Take Participant's Salary, \$32,850.
- Multiply by 125% if Church provides a parsonage, \$41,062.50.
- Add Housing Allowance, if any, (+0 in this example) \$41,062.50.
- Multiply this by 17.4%, \$7,144.80.
- This is billed to the Church for each Participant. (1 local pastor in this example.)

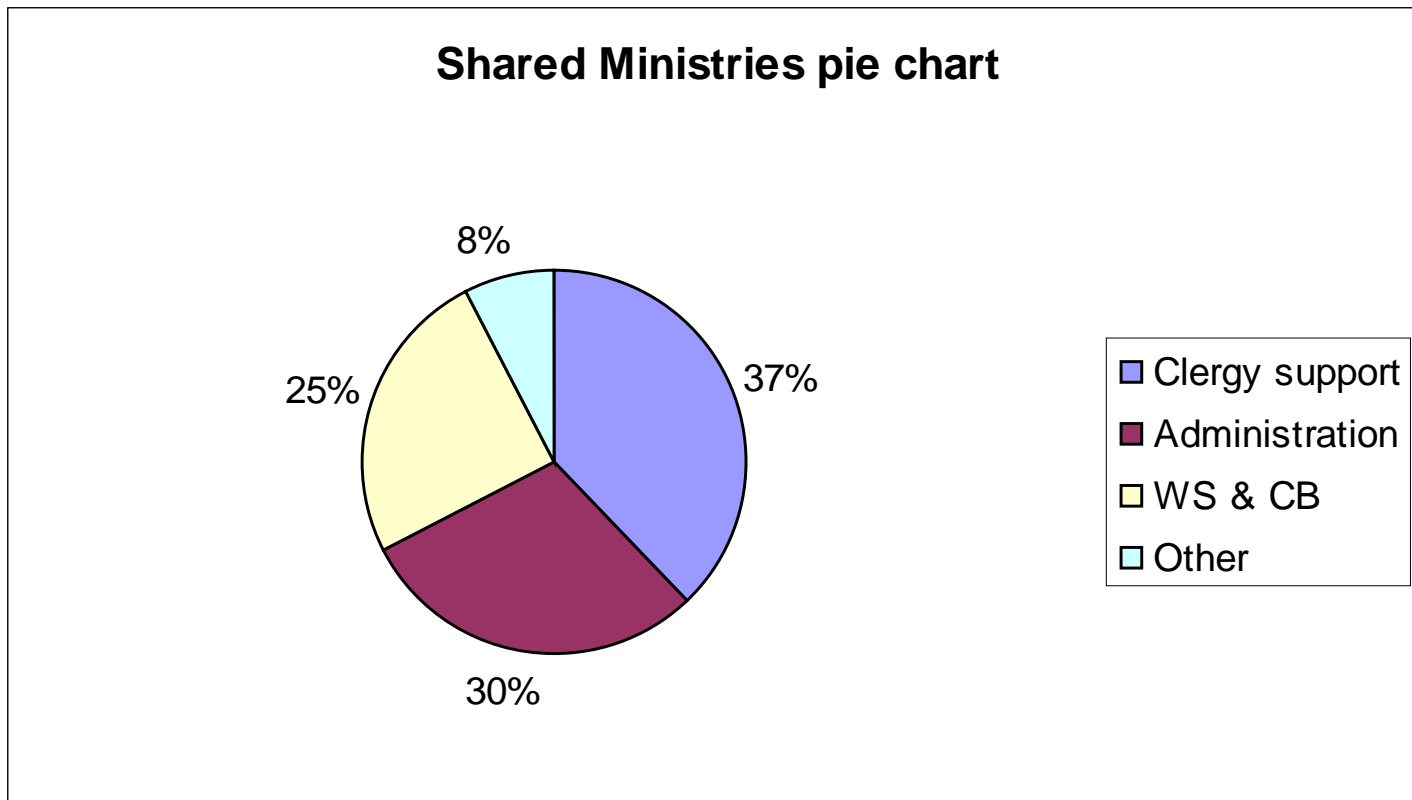
How pension costs are distributed among the local churches



How Active Clergy Health Insurance Expense is apportioned (total for churches: 90% of \$4,825,632)

- Each Church with a Pastor working at least $\frac{3}{4}$ time is charged a uniform rate per Pastor participating in the program. (If there are two full-time Pastors, the Church is charged twice the uniform rate.)
- The rate for 2012 is estimated to be 90% of \$14,448 or \$13,003.
- Pastors would be required to pay \$1,445.

Shared Ministries Expense— \$8,627,709



How Shared Ministries Expense is apportioned

- Take local church's report for previous calendar year.
- Add amounts expended for staff, office expense, and programs.
- Compare with other local churches' expenses for staff, office, and programs.
- That ratio from that comparison is used to determine how much of the Shared Ministries Expense will be billed to that local church.

One of our favorite myths busted

- The number of professing members of the local church is irrelevant to the calculation of the Shared Ministries Apportionment.



How Shared Ministries Expense is apportioned—an example:

- A local church spent \$153,012 for staff, office expense, and programming in 2010.
- That 2010 number for all the local churches in the Annual Conference was \$33,461,502.*
 - * This number was adjusted last September from the \$34,059,412 reported in the Journal because of church starts, mergers, closings, & errors in reporting statistics.
- This local church's share of the \$33,461,502 is 0.45728%.
- This local church's share of the 2011 Shared Ministries Expense is \$39,301, which is 0.45728% of \$8,594,558 (last year's budget).

Main features of proposed 2012 expenses and apportionments

- Clergy Pension apportionment is dependent on compensation set by local church.
- Active Clergy Health Insurance apportionment is estimated to go up by 7.5%.
- Shared Ministries apportionment is going up by 0.4%.

Purpose of Apportionments

- To support the ministries of local churches.
- To extend the missional outreach of local churches.
- To make disciples of Jesus Christ for the transformation of the world.



Closing word—Psalm 24:1

- The earth is God's and its fullness—the world and those who live in it.
- De Jehová es la tierra y cuanto hay en ella. El mundo, y los que en él habitan.
- 땅과 거기 충만한 것과 세계와 그중에 거하는 자가 다 여호와와의 것이로다.
- The Church is God's and its fullness.