



## MEMORANDUM

**Date:** September 5, 2019  
**From:** Dan Wilson-Fey, Conference Treasurer and Benefits Officer  
**To:** Local Church Pastors, Treasurers and Finance Chairs  
**Subject:** 2020 Final Grade Figure and Apportionment Notice

---

Each June at our annual session we covenant together for shared ministry for the following year. Our annual budget is a concrete expression of our covenant, and the support for our shared ministry comes through each congregation's share of the budget. Our office has the responsibility of calculating each congregation's portion, or apportionment. Enclosed please find the Official Notice of Apportionments for your church for the year 2020.

### APPROVED BUDGET:

The 2019 Session of the Annual Conference approved a 2020 apportioned budget of \$3,407,452. This represents an increase of \$7,188 or 0.21% over the 2019 apportioned budget amount of \$3,400,264. Your apportionments are based on this approved budget.

It's important to remember that even though the total amount apportioned is increased by 0.21%, individual apportionments will change at a different rate, and could be reduced, due to the different spending patterns in each local congregation. See below for an explanation of the grade figure and apportionment calculation process.

### HOW APPORTIONMENTS ARE CALCULATED:

Apportionments (also known as Shared Ministries Apportionments) are assigned to each church based on a *Grade Figure plus a residual adjustment*.

The calculation of the grade figure is set forth in Conference Rule #5.141:

"The Grade Figure formula shall be calculated as follows: 75% based on the current expenses as reported on the latest year's (2018) Local Church Report to the Annual Conference. These include Pastor's and Associate Pastor's salaries, housing and parsonage allowances and business and professional expenses, other allowances and benefit expenses, staff salaries, program expenses and other current [operating] expenses. 25% based on the average of the last two years' (2017 & 2018) current expenses as indicated above"

The residual adjustment is the amount needed to fulfill the total budget, as adopted by the Annual Conference, after the application of the 15% Rule (CR #5.142):

"All financial shared ministries to the charges shall be based on grade figures. If the total apportionments as calculated by the grade figure would increase more than 15% in any one year, the increase shall be limited to 15%..."

Note that apportionments for churches benefiting from this rule for 2 consecutive years will be brought back to the calculated amount within four years.

Each year, there are a few churches whose calculated apportionments (Grade Figure times the approved budget) would increase by more than 15% of their prior year apportionments. The difference between the actual apportionment and the 15% cap (the residual amount) is spread to all of the other churches in the Conference based on the Grade Figure. In this way, the full amount of the approved budget is apportioned to all of the congregations.

I am enclosing a copy of the final grade figure worksheet for your information. Data used in this calculation comes from the Financial Supplement to the annual Local Church Report (Table 2) which is completed by you or your financial personnel. A note was sent to the pastor, treasurer and finance chair of your church in May with a request to verify those figures on a Preliminary Grade Figures Report. Changes were made to the grade figures as a result of this verification process. At this time no adjustments can be made to the 2020 Apportionments.

**DIRECT PROGRAM SUPPORT:**

In addition to the ministries supported through the Shared Ministries Apportionment, the annual conference approved support for Campus Ministry, Church Development/Vital Church Project, Hispanic Ministry and the Council on Young People’s Ministry. Your congregation’s fair share is included with your apportionments. These ministries appreciate your support.

**A NOTE ABOUT BENEFITS:**

The monthly billing to the local congregation for **Health Insurance** premiums for Active Clergy appointed ¾ time or more will increase to **\$1,395.00 per month.**

The monthly cost to participants will be dependent on the plan they choose. Participants should provide their treasurer a copy of the confirmation sheet generated during the annual election process in November, indicating amounts to be withheld, on a pre-tax basis, for premium contributions and flexible spending accounts. Those amounts will continue to be remitted to the conference

The monthly billing to the local congregation for **CRSP pension** for Active Clergy appointed half time or more will continue to be **13% of total compensation.**

The monthly billing to the local congregation for **CPP** for Active Clergy appointed ¾ time or more will continue to be **3% of total compensation.**

Please contact Meg Kau if you have any questions regarding benefits.

**RESOURCES:**

Information about the General Funds of the Church and interpretation resources, mostly free, can be found on the internet at [www.umcgiving.org](http://www.umcgiving.org).

The Conference Budget can be found in the Financial Section of the *Journal* or on the web at [www.umi.org](http://www.umi.org).

Detailed information regarding your church’s current year apportionments can be found on the internet at [www.umi.org/apportionmentcalculator](http://www.umi.org/apportionmentcalculator)

**DISTRICT CHURCH EXTENSION**

We have included District Church Extension Askings for the Districts at their request. These askings have been prepared by the respective districts. If you have any questions regarding these figures, please call your district office.

Please feel free to contact us if you have any questions.

*Contact us by e-mail or by calling 503-226-7931 or 1-800-593-7539 at the extensions listed below:*

Dan Wilson-Fey	Conference Treasurer and Benefits Officer	dan@umi.org	- ext 222
Sandra Reinemer	Assistant Treasurer, Controller	sandra@umi.org	- ext 223
Meg Kau	Human Resources	meg@umi.org	- ext 224
Andrea Cooper	Accounts Receivable, Accounting	andrea@umi.org	- ext 217
David Sneed	Accounts Payable	david@umi.org	- ext 221