

# Apportionment Interpretation 2019

Revised August 2018

The Conference Apportionments are intended to carry out the mission and ministry of the Virginia Annual Conference.

Apportionments at the Conference level are grouped into the following three categories:

1. Conference Apportionments #401-#406
2. Clergy Benefit Apportionments #407-#409
3. General & Jurisdictional Apportionments #410-#416

By vote of the 236<sup>th</sup> Annual Conference Session, the 2019 Annual Conference Budget decreased 0.58% in comparison to the 2018 Annual Conference Budget. Conference Apportionments increased 1.98%. Clergy Benefits decreased 1.49%, and General & Jurisdictional Apportionments decreased 5.63%. The 2019 Annual Conference Budget may be found on page 4 of this document.

With the exception of Active Clergy Health Benefits, apportionments are calculated using the last year of available statistics for each local church (i.e. 2019 apportionments are calculated using 2017 statistics). The formula is based on total net paid expenses which are the total expenditures of the church minus expenditures for benevolent causes, apportionments, capital improvements, and payments on loans and mortgages, as reported by your church in the EVC Statistical Website.

**The primary apportionment formula follows and applies to all apportionments except Active Clergy Health #407.**

$$\frac{\text{Net Operating Expenses for your church (lines 39-47)}}{\text{Net Operating Expenses for ALL VA Conference Churches (lines 39-47)}} = \frac{\text{Your Church}}{\text{Decimal}}$$

Your church decimal is multiplied by the approved Annual Conference Budget to determine your church's contribution. It is very important that accurate information is entered by each church in EVC as every church's numbers affect the apportionment calculations for the entire Conference.

**The Active Clergy Health Apportionment #407 is a two tiered calculation.**

1. The first tier allocates a flat \$5,000 per health plan eligible clergy based upon July 1, 2018 appointments.
2. The remaining active clergy health care apportionment costs are apportioned based upon the total clergy compensation at your church (including accountable reimbursement) divided into the total clergy compensation (including accountable reimbursement) for ALL Virginia Conference Churches.

Churches with part-time pastors will not be apportioned the \$5,000 but will participate in the apportionment through the decimal of clergy salaries.

A multi-point charge that has a pastor eligible for the health care plan will share the \$5,000 allocation and will also participate in the apportionment through the decimal of clergy salaries.

All churches with one full time appointed pastor will pay the first tier \$5,000 and the decimal of clergy salaries; the higher the salary, the higher the apportionment.

Multi-clergy staff churches will be apportioned \$5,000 for each of the full time clergy eligible for the Conference Health Care Plan and will also be apportioned on the decimal of clergy salaries.

Effective January 1, 2016, the Council on Finance and Administration, in consultation with the Church Development Team and Cabinet set the following policies for apportioning newly chartered churches, legacy churches, and second sites of chartered churches. The policies are as follows:

- Apportionments for newly chartered churches will be phased in over a five year period with the first year beginning at 20% and increasing 20% for each subsequent year until the church reaches 100%.
- For a legacy church, as determined by the Church Development Team and the Cabinet, the district superintendent will present a projected budget of expenses to be used in the legacy church's apportionment calculation for the first 18 months of its classification as a legacy church.
- For second site (satellite & multi-site) locations recognized as new faith communities by the Church Development Team and the Cabinet, the existing chartered church may exclude direct expenses of the second site from the apportionment calculation based upon the following schedule:

|              |      |
|--------------|------|
| 0-42 months  | 100% |
| 43-54 months | 80%  |
| 55-66 months | 60%  |
| 67-78 months | 40%  |
| 79-90 months | 20%  |
- Effective January 1, 2017, for a Renewal church location as determined by the Church Development Team and the Cabinet, the existing chartered church will be treated in the same manner as a newly chartered church.

## Council on Finance and Administration

### SECTION I - Summary of Approved Conference Budget for 2019

|  | Sch. | 2018              | 2019              | % of Budget    | Inc.\(Dec.)      | % Chg.        |
|--|------|-------------------|-------------------|----------------|------------------|---------------|
| <b>Conference Apportionments</b>                         |      |                   |                   |                |                  |               |
| 401 - Conference Mission & Ministries                    | A    | 3,230,000         | 3,225,000         | 10.19%         | (5,000)          | -0.15%        |
| 402 - Conference Services                                | B    | 1,646,000         | 1,875,000         | 5.94%          | 229,000          | 13.91%        |
| 403 - District Superintendents Fund                      | C    | 2,025,000         | 2,005,000         | 6.34%          | (20,000)         | -0.99%        |
| 404 - Equitable Compensation                             |      | 350,000           | 300,000           | 0.95%          | (50,000)         | -14.29%       |
| 405 - Church Extension & Development                     |      | 1,000,000         | 1,125,000         | 3.56%          | 125,000          | 12.50%        |
| 406 - Virginia Education Fund                            |      | 800,000           | 700,000           | 2.21%          | (100,000)        | -12.50%       |
| <b>Total Conference Apportionments</b>                   |      | <b>9,051,000</b>  | <b>9,230,000</b>  | <b>29.19%</b>  | <b>179,000</b>   | <b>1.98%</b>  |
| <b>Clergy Benefits Apportionments</b>                    |      |                   |                   |                |                  |               |
| 407 - Active Clergy Health                               |      | 9,710,000         | 9,710,000         | 30.72%         | -                | 0.00%         |
| 408 - Retired Clergy Health                              |      | 6,060,000         | 6,060,000         | 19.17%         | -                | 0.00%         |
| 409 - Pension Liability Assessment - Pre 82              |      | 1,000,000         | 750,000           | 2.37%          | (250,000)        | -25.00%       |
| <b>Total Clergy Benefit Apportionments</b>               |      | <b>16,770,000</b> | <b>16,520,000</b> | <b>52.26%</b>  | <b>(250,000)</b> | <b>-1.49%</b> |
| <b>General &amp; Jurisdictional Apportionments</b>       |      |                   |                   |                |                  |               |
| 410 - Episcopal Fund                                     |      | 900,000           | 875,000           | 2.77%          | (25,000)         | -2.78%        |
| 411 - World Service                                      |      | 3,040,000         | 3,000,000         | 9.49%          | (40,000)         | -1.32%        |
| 412 - General & Jurisdictional Connectional Fund         |      | 426,000           | 420,000           | 1.33%          | (6,000)          | -1.41%        |
| 413 - Ministerial Education                              |      | 1,030,000         | 1,000,000         | 3.16%          | (30,000)         | -2.91%        |
| 414 - Black College Fund                                 |      | 410,000           | 400,000           | 1.27%          | (10,000)         | -2.44%        |
| 415 - Africa University Fund                             |      | 92,000            | 90,000            | 0.28%          | (2,000)          | -2.17%        |
| 416 - Interdenominational Cooperation Fund               |      | 81,000            | 80,000            | 0.25%          | (1,000)          | -1.23%        |
| <b>Total General &amp; Jurisdictional Apportionments</b> |      | <b>5,979,000</b>  | <b>5,865,000</b>  | <b>18.55%</b>  | <b>(114,000)</b> | <b>-5.63%</b> |
| <b>Total Apportionments</b>                              |      | <b>31,800,000</b> | <b>31,615,000</b> | <b>100.00%</b> | <b>(185,000)</b> | <b>-0.58%</b> |

## Single Pastor Church

| <b>Church Statistics - Table II from EVC</b>                           | <b>2017 Expenses</b> |
|--|----------------------|
| Clergy Pension   | 7,150                |
| Pastor Salary  | 31,800               |
| Associate Pastor Salary  | -                    |
| Deacon Salary/Benefits   | -                    |
| Pastor Housing   | 13,200               |
| Associate Pastor Housing   | -                    |
| Deacon Housing/Benefits  | -                    |
| Pastor/Assoc Acct Reimbursement  | 5,750                |
| Pastor/Assoc Cash Allow (Non-Acctable)                                 | -                    |
| Salary/Benefits Church Staff and Diaconal                              | 5,100                |
| Program Expenses   | 4,600                |
| Operating Expenses   | 26,500               |
| <b>Your Church's Net Operating Expenses</b>                            | <b>94,100</b>        |
| <b>ALL Va Conf Churches Net Operating Expenses</b>                     | <b>152,606,205</b>   |
| <b>Your Church's Operating Expenses Decimal</b>                        | <b>0.00061662</b>    |
| Number of Fulltime Health Care Eligible Clergy for your Charge         | 1                    |
| Number of Churches in your Charge                                      | 1                    |
| <b>Your Church's Tier 1 - Health Care Apportionment</b>                | <b>5,000</b>         |
| Your Church's Clergy Salary & Accountable Reimbursement                | 37,550               |
| <b>ALL Va Conf Churches Clergy Salary</b>                              | <b>41,402,208</b>    |
| <b>Your Church's Tier 2 - Health Care Apportionment</b>                | <b>0.00090696</b>    |
| <b>Conference Tier 1 Amount for All Churches (755 Clergy x \$5000)</b> | <b>3,318,000</b>     |
| <b>Remaining Conference Tier 2 Amount for All Churches</b>             | <b>6,392,000</b>     |
| <b>Total 407-Active Clergy Health Plan</b>                             | <b>9,710,000</b>     |

| <b>Estimated 2019 Apportionments</b>                       | <b>Conference</b> |                   |
|--|-------------------|-------------------|
| 401-Conference Mission and Ministries                      | 1,989             | 3,225,000         |
| 402-Conference Services                                    | 1,155             | 1,875,000         |
| 403-District Superintendents Fund                          | 1,236             | 2,005,000         |
| 404-Equitable Compensation                                 | 186               | 300,000           |
| 405-Church Extension and Development                       | 693               | 1,125,000         |
| 406-Virginia Education Fund                                | 432               | 700,000           |
| 407-Active Clergy Health                                   | 10,797            | 9,710,000         |
| 408-Retired Clergy Health                                  | 3,738             | 6,060,000         |
| 409-Pension Liability Assessment - Pre 82                  | 462               | 750,000           |
| 410-Episcopal Fund   | 540               | 875,000           |
| 411-World Service  | 1,851             | 3,000,000         |
| 412-General and Jurisdictional Connectional Fund           | 258               | 420,000           |
| 413-Ministerial Education                                  | 618               | 1,000,000         |
| 414-Black College Fund                                     | 246               | 400,000           |
| 415-Africa University Fund                                 | 54                | 90,000            |
| 416-Interdenominational Cooperation Fund                   | 48                | 80,000            |
| <b>Total Estimated 2019 Apportionments for your Church</b> | <b>24,303</b>     | <b>31,615,000</b> |

## Multi-Pastor Church

| <b>Church Statistics - Table II from EVC</b>                           | <b>2017 Expenses</b> |
|--|----------------------|
| Clergy Pension   | 30,500               |
| Pastor Salary  | 101,000              |
| Associate Pastor Salary  | 39,000               |
| Deacon Salary/Benefits   | -                    |
| Pastor Housing   | -                    |
| Associate Pastor Housing   | 15,500               |
| Deacon Housing/Benefits  | -                    |
| Pastor/Assoc Acct Reimbursement  | 6,500                |
| Pastor/Assoc Cash Allow (Non-Acctable)                                 | -                    |
| Salary/Benefits Church Staff and Diaconal                              | 513,500              |
| Program Expenses   | 62,000               |
| Operating Expenses   | 375,500              |
| <b>Your Church's Net Operating Expenses</b>                            | <b>1,143,500</b>     |
| <b>ALL Va Conf Churches Net Operating Expenses</b>                     | <b>152,606,205</b>   |
| <b>Your Church's Operating Expenses Decimal</b>                        | <b>0.00749314</b>    |
| Number of Fulltime Health Care Eligible Clergy for your Charge         | 2                    |
| Number of Churches in your Charge                                      | 1                    |
| <b>Your Church's Tier 1 - Health Care Apportionment</b>                | <b>10,000</b>        |
| Your Church's Clergy Salary & Accountable Reimbursement                | 146,500              |
| <b>ALL Va Conf Churches Clergy Salary</b>                              | <b>41,402,208</b>    |
| <b>Your Church's Tier 2 - Health Care Apportionment</b>                | <b>0.00353846</b>    |
| <b>Conference Tier 1 Amount for All Churches (755 Clergy x \$5000)</b> | <b>3,318,000</b>     |
| <b>Remaining Conference Tier 2 Amount for All Churches</b>             | <b>6,392,000</b>     |
| <b>Total 407-Active Clergy Health Plan</b>                             | <b>9,710,000</b>     |

| <b>Estimated 2019 Apportionments</b>                       | <b>Conference</b> |                   |
|--|-------------------|-------------------|
| 401-Conference Mission and Ministries                      | 24,165            | 3,225,000         |
| 402-Conference Services                                    | 14,049            | 1,875,000         |
| 403-District Superintendents Fund                          | 15,024            | 2,005,000         |
| 404-Equitable Compensation                                 | 2,247             | 300,000           |
| 405-Church Extension and Development                       | 8,430             | 1,125,000         |
| 406-Virginia Education Fund                                | 5,244             | 700,000           |
| 407-Active Clergy Health                                   | 32,619            | 9,710,000         |
| 408-Retired Clergy Health                                  | 45,408            | 6,060,000         |
| 409-Pension Liability Assessment - Pre 82                  | 5,619             | 750,000           |
| 410-Episcopal Fund   | 6,555             | 875,000           |
| 411-World Service  | 22,479            | 3,000,000         |
| 412-General and Jurisdictional Connectional Fund           | 3,147             | 420,000           |
| 413-Ministerial Education                                  | 7,494             | 1,000,000         |
| 414-Black College Fund                                     | 2,997             | 400,000           |
| 415-Africa University Fund                                 | 675               | 90,000            |
| 416-Interdenominational Cooperation Fund                   | 600               | 80,000            |
| <b>Total Estimated 2019 Apportionments for your Church</b> | <b>196,752</b>    | <b>31,615,000</b> |

## Multi-Church Single Pastor

| <b>Church Statistics - Table II from EVC</b>                           | <b>2017 Expenses</b> |
|--|----------------------|
| Clergy Pension   | 2,500                |
| Pastor Salary  | 12,000               |
| Associate Pastor Salary  | -                    |
| Deacon Salary/Benefits   | -                    |
| Pastor Housing   | 500                  |
| Associate Pastor Housing   | -                    |
| Deacon Housing/Benefits  | -                    |
| Pastor/Assoc Acct Reimbursement  | 1,700                |
| Pastor/Assoc Cash Allow (Non-Acctable)                                 | 20                   |
| Salary/Benefits Church Staff and Diaconal                              | 2,400                |
| Program Expenses   | 2,000                |
| Operating Expenses   | 20,000               |
| <b>Your Church's Net Operating Expenses</b>                            | <b>41,120</b>        |
| <b>ALL Va Conf Churches Net Operating Expenses</b>                     | <b>152,606,205</b>   |
| <b>Your Church's Operating Expenses Decimal</b>                        | <b>0.00026945</b>    |
| Number of Fulltime Health Care Eligible Clergy for your Charge         | 1                    |
| Number of Churches in your Charge                                      | 3                    |
| <b>Your Church's Tier 1 - Health Care Apportionment</b>                | <b>1,650</b>         |
| Your Church's Clergy Salary & Accountable Reimbursement                | 13,700               |
| <b>ALL Va Conf Churches Clergy Salary</b>                              | <b>41,402,208</b>    |
| <b>Your Church's Tier 2 - Health Care Apportionment</b>                | <b>0.00033090</b>    |
| <b>Conference Tier 1 Amount for All Churches (755 Clergy x \$5000)</b> | <b>3,318,000</b>     |
| <b>Remaining Conference Tier 2 Amount for All Churches</b>             | <b>6,392,000</b>     |
| <b>Total 407-Active Clergy Health Plan</b>                             | <b>9,710,000</b>     |

| <b>Estimated 2019 Apportionments</b>                       | <b>Conference</b> |                   |
|--|-------------------|-------------------|
| 401-Conference Mission and Ministries                      | 870               | 3,225,000         |
| 402-Conference Services                                    | 504               | 1,875,000         |
| 403-District Superintendents Fund                          | 540               | 2,005,000         |
| 404-Equitable Compensation                                 | 81                | 300,000           |
| 405-Church Extension and Development                       | 303               | 1,125,000         |
| 406-Virginia Education Fund                                | 189               | 700,000           |
| 407-Active Clergy Health                                   | 3,765             | 9,710,000         |
| 408-Retired Clergy Health                                  | 1,632             | 6,060,000         |
| 409-Pension Liability Assessment - Pre 82                  | 201               | 750,000           |
| 410-Episcopal Fund   | 237               | 875,000           |
| 411-World Service  | 807               | 3,000,000         |
| 412-General and Jurisdictional Connectional Fund           | 114               | 420,000           |
| 413-Ministerial Education                                  | 270               | 1,000,000         |
| 414-Black College Fund                                     | 108               | 400,000           |
| 415-Africa University Fund                                 | 24                | 90,000            |
| 416-Interdenominational Cooperation Fund                   | 21                | 80,000            |
| <b>Total Estimated 2019 Apportionments for your Church</b> | <b>9,666</b>      | <b>31,615,000</b> |

### Church with Non-Healthcare Eligible Pastor

| <b>Church Statistics - Table II from EVC</b>       | <b>2017 Expenses</b> |
|--|----------------------|
| Clergy Pension                                     | -                    |
| Pastor Salary                                      | 20,000               |
| Associate Pastor Salary                            | -                    |
| Deacon Salary/Benefits                             | -                    |
| Pastor Housing                                     | -                    |
| Associate Pastor Housing                           | -                    |
| Deacon Housing/Benefits                            | -                    |
| Pastor/Assoc Acct Reimbursement                    | 3,000                |
| Pastor/Assoc Cash Allow (Non-Acctable)             | -                    |
| Salary/Benefits Church Staff and Diaconal          | 4,000                |
| Program Expenses                                   | 1,500                |
| Operating Expenses                                 | 18,500               |
| <b>Your Church's Net Operating Expenses</b>        | <b>47,000</b>        |
| <b>ALL Va Conf Churches Net Operating Expenses</b> | <b>152,606,205</b>   |
| <b>Your Church's Operating Expenses Decimal</b>    | <b>0.00030798</b>    |

|  |                   |
|--|-------------------|
| Number of Fulltime Health Care Eligible Clergy for your Charge | -                 |
| Number of Churches in your Charge                              | 1                 |
| <b>Your Church's Tier 1 - Health Care Apportionment</b>        | <b>0</b>          |
| Your Church's Clergy Salary & Accountable Reimbursement        | 23,000            |
| <b>ALL Va Conf Churches Clergy Salary</b>                      | <b>41,402,208</b> |
| <b>Your Church's Tier 2 - Health Care Apportionment</b>        | <b>0.00055553</b> |

|  |                  |
|--|------------------|
| <b>Conference Tier 1 Amount for All Churches (755 Clergy x \$5000)</b> | <b>3,318,000</b> |
| <b>Remaining Conference Tier 2 Amount for All Churches</b>             | <b>6,392,000</b> |
| <b>Total 407-Active Clergy Health Plan</b>                             | <b>9,710,000</b> |

| <b>Estimated 2019 Apportionments</b>                       | <b>Conference</b> |                   |
|--|-------------------|-------------------|
| 401-Conference Mission and Ministries                      | 993               | 3,225,000         |
| 402-Conference Services                                    | 576               | 1,875,000         |
| 403-District Superintendents Fund                          | 618               | 2,005,000         |
| 404-Equitable Compensation                                 | 93                | 300,000           |
| 405-Church Extension and Development                       | 345               | 1,125,000         |
| 406-Virginia Education Fund                                | 216               | 700,000           |
| 407-Active Clergy Health                                   | 3,552             | 9,710,000         |
| 408-Retired Clergy Health                                  | 1,866             | 6,060,000         |
| 409-Pension Liability Assessment - Pre 82                  | 231               | 750,000           |
| 410-Episcopal Fund   | 270               | 875,000           |
| 411-World Service  | 924               | 3,000,000         |
| 412-General and Jurisdictional Connectional Fund           | 129               | 420,000           |
| 413-Ministerial Education                                  | 309               | 1,000,000         |
| 414-Black College Fund                                     | 123               | 400,000           |
| 415-Africa University Fund                                 | 27                | 90,000            |
| 416-Interdenominational Cooperation Fund                   | 24                | 80,000            |
| <b>Total Estimated 2019 Apportionments for your Church</b> | <b>10,296</b>     | <b>31,615,000</b> |



## CONFERENCE MISSION & MINISTRIES APPORTIONMENT #401

The Conference Mission and Ministries Apportionment provides a connection for Virginia Conference churches to reach beyond themselves as they join in transformational ministries throughout Virginia. Emphasizing both personal discipleship and outreach some of the ministries supported through this apportionment include:

- Thirteen campus ministries related to and supported by the Virginia Conference
- Support for 31 chaplains to 35 institutions housing 30,000 incarcerated men and women
- Disaster response (both short and long term response that included 893 volunteers working 18,769 hours valued at \$490,000 in volunteer service in 2016)
- Support for laity ministries (including 1,762 Virginia Conference lay servant ministers)
- Virginia Conference Initiative of Hope partnerships in Cambodia, Brazil, and Mozambique.
- Three camps for 83 children of incarcerated parents

Fuller information about the multiple areas of discipleship and outreach supported by this apportionment through the ministry of the Conference Common Table for Church Vitality and associated conference agencies and partners is on pages 73 – 123 of the 2017 Book of Reports at <http://www.vaumc.org/ncfilerepository/AC2018/2018BOR.pdf>

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$3,250,000 |
| 2017 Received from Churches | \$2,908,999 |
| 2017 % Received             | 89.51%      |
| 2018 Apportionment          | \$3,230,000 |
| 2019 Apportionment          | \$3,225,000 |

## **CONFERENCE SERVICES FUND APPORTIONMENT #402**

The Conference Services Apportionment supports Conference owned properties and the administrative requirements of the *Book of Discipline* not included in the Conference Mission & Ministries Apportionment. Through Conference Services, the Annual Conference provides a United Methodist Center where more than 9,000 attendees meet each year to carry out the mission and ministries of the Virginia Conference and includes:

Board of Ordained Ministry (\$427,000) - Supports credentialing and development of the candidates and clergy in the Virginia Annual Conference, including interview and candidacy expenses, educational training, clergy family support and the administrative and staff expenses of the Center for Clergy Excellence.

Conference Treasurer's Office (\$395,000) - Includes the handling and safeguarding of funds in excess of \$30 million entrusted to the Conference from local church apportionments and second-mile giving. This office also supports the work of the Council on Finance and Administration, the Conference Board of Trustees and the Equitable Compensation Commission and serves as a resource for local churches in the areas of finance, stewardship, administration, and insurance.

Annual Conference Session (\$260,000) - Provides funding for rent of meeting facilities, printing of *Book of Reports* and other program materials, audio recordings, honoraria and travel for speakers and approximately \$20,000 per diem expenses for retired pastors.

Bishop's Assistant (\$85,000) - Provides the cost of the expenses of the office of the Bishop's assistant including salary, benefits, travel, and office expenses.

Computer Services (\$130,000) - Provides support for Conference computer services including maintenance and purchase of hardware and software for Virginia Conference information technology needs (e.g, firewall, servers, workstations, video conferencing, etc.).

Additional funds are used for administrative expenses for such groups as Conference Trustees, CFA, and the Conference Historical Society, as well as providing the insurance needed to cover the Conference Office and Boards and for the Bishop's residence.

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$1,993,000 |
| 2017 Received from Churches | \$1,816,371 |
| 2017 % Received             | 91.14%      |
| 2018 Apportionment          | \$1,646,000 |
| 2019 Apportionment          | \$1,875,000 |

**DISTRICT SUPERINTENDENTS FUND  
APPORTIONMENT #403**

The District Superintendents Apportionment supports the work of 16 district superintendents of the Virginia United Methodist Conference providing salaries, pensions, travel, workers compensation and continuing education. All other District Superintendent related costs such as housing, district office expenses and staff are supported at the district level.

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$2,055,000 |
| 2017 Received from Churches | \$1,858,815 |
| 2017 % Received             | 90.45%      |
| 2018 Apportionment          | \$2,025,000 |
| 2019 Apportionment          | \$2,005,000 |

## EQUITABLE COMPENSATION FUND APPORTIONMENT #404

The Equitable Compensation Fund provides financial assistance for churches within the Virginia Conference which are unable to meet the minimum compensation for their clergy. Full-time ministers are guaranteed a minimum level of compensation depending on their ordination status. The local church or charge is required to provide a minimum amount frequently referred to as the "floor" level of compensation. The minimum compensation and floor levels for 2019 are as follows:

|                                | <u>Compensation</u> | <u>Floor</u> |
|--------------------------------|---------------------|--------------|
| Full Connection (Elders)       | \$42,000            | \$28,000     |
| Probationers/Associate Members | \$38,500            | \$25,600     |
| Local Pastors                  | \$36,000            | \$24,000     |

The primary obligation of the Equitable Compensation Commission is to make up the difference between the minimum compensation level and the floor for churches determined to be eligible.

In 2017, 22 charges received funds for compensation support throughout the Virginia Conference. Eleven charges that received funding in 2016 have not required assistance in 2017. These charges and their Superintendents are commended for their success in providing a ministry in the communities they serve that has enabled them to grow spiritually in their stewardship.

Although your church may not currently benefit directly from this fund, we are all part of a connectional system that is available to help our churches maintain their clergy salary in times of financial difficulty.

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|                             |           |
|-----------------------------|-----------|
| 2017 Apportionment          | \$350,000 |
| 2017 Received from Churches | \$313,568 |
| 2017 % Received             | 89.59%    |

|                    |           |
|--------------------|-----------|
| 2018 Apportionment | \$350,000 |
| 2019 Apportionment | \$300,000 |

## **CHURCH EXTENSION & DEVELOPMENT FUND APPORTIONMENT #405**

The Church Extension & Development Fund (CEF) supports the Church Development Team in its mission to assist in creating new faith communities and supporting the work of vitality in existing churches.

The Five Talent Academy offers training opportunities related to worship, financial stewardship, discipleship, evangelism and ministry with the poor are offered through the Five Talent Academy. The Equipping Planter team directs the invitation, discernment and training of planters of new faith communities and offers the Church Leadership Institute. The New Faith Community subgroup of the Church Development Team helps create a culture of excellence, fruitfulness and vitality with regard to developing new faith communities.

The Church Development Team partners with the Large, Medium and Small Church leadership teams, which offer training events for clergy and laity in order to increase vitality and to provide training to pastors who have recently moved (Just In Time Training). Other renewal projects such as Virginia Focus 2020 centers on growth and renewal in existing black churches. To further support the growth and renewal in existing churches, CDT has partnered with four districts to offer Next Level Innovations, a three and a half year investment in church change and leadership development.

Proceeds from the Church Extension and Development Apportionment are dispersed according to the guidelines of the Church Development Team as approved by the Common Table.

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|                             |              |
|-----------------------------|--------------|
| 2017 Apportionment          | \$ 675,000   |
| 2017 Received from Churches | \$ 585,481   |
| 2017 % Received             | 86.74%       |
| <br>                        |              |
| 2018 Apportionment          | \$ 1,000,000 |
| 2019 Apportionment          | \$ 1,125,000 |

**VIRGINIA EDUCATION FUND  
APPORTIONMENT #406**

The Virginia Education Fund provides support to five Virginia Conference church-related colleges and universities and one preparatory school. Based on recommendations of the Common Table, the 2018 apportionment will be distributed as follows:

|   |                   |
|---|-------------------|
| Ferrum College - Ferrum                         | 19.5% (\$136,500) |
| Randolph-Macon College - Ashland                | 18.5% (\$129,500) |
| Shenandoah University - Winchester              | 18.0% (\$126,000) |
| Virginia Wesleyan University - Norfolk/VA Beach | 18.0% (\$126,000) |
| Randolph College - Lynchburg                    | 16.0% (\$112,000) |
| Randolph-Macon Academy - Front Royal            | 10.0% (\$70,000)  |

Each school provides scholarships to United Methodist students for attending. Additionally, this fund supports United Methodist chaplains on each campus that provide religious services and programs to all students. Many of our clergy come from these schools.

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|                             |            |
|-----------------------------|------------|
| 2017 Apportionment          | \$ 900,000 |
| 2017 Received from Churches | \$ 773,492 |
| 2017 % Received             | 85.94%     |
| 2018 Apportionment          | \$ 800,000 |
| 2019 Apportionment          | \$ 700,000 |

## **ACTIVE CLERGY HEALTH APPORTIONMENT #407**

The Active Clergy Health Apportionment provides health care benefits for approximately 2,000 active clergy, incapacitated clergy, and widows of active clergy and their families. Each clergy contributes the “employee contribution” amount billed monthly from VUMPI, which the church should deduct from their paycheck. The remaining Active Clergy Health expenses are apportioned to all local churches according to the Active Clergy Health Two-tiered apportionment as described at the beginning of this document.

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|-----------------------------|-------------|
| 2017 Apportionment          | \$9,710,000 |
| 2017 Received from Churches | \$8,873,775 |
| 2017 % Received             | 91.39%      |
| 2018 Apportionment          | \$9,710,000 |
| 2019 Apportionment          | \$9,710,000 |

## **RETIRED CLERGY HEALTH APPORTIONMENT #408**

The Retired Clergy Health Apportionment provides medical insurance benefits for approximately 800 retired clergy and spouses. Retirees who are not yet eligible for Medicare may enroll in the Conference-sponsored self-funded health plan, and Medicare-eligible retirees select from several fully insured insurance products designed to supplement Medicare benefits. Enrolled retirees pay a portion of the total cost of coverage. The Conference's contribution toward retired clergy health coverage is apportioned to the local churches based upon the decimal of operating expenses.

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$6,060,000 |
| 2017 Received from Churches | \$5,522,557 |
| 2017 % Received             | 91.13%      |
| 2017 Apportionment          | \$6,060,000 |
| 2018 Apportionment          | \$6,060,000 |



**PENSION LIABILITY ASSESSMENT – PRE 82  
APPORTIONMENT #409**

Active and retired clergy are provided a defined pension benefit for years of ministerial service they accumulated prior to 1982 (referred to as the “Pre-82” benefit). In 2019, each clergy person in retirement status with Pre-82 service will receive at least \$570 for each year of Pre-82 service, for the remainder of their life. Surviving spouses of said clergy will receive 70% of this amount for the remainder of their lives.

Ever since the Pre-82 pension program was frozen on December 31, 1981, Wespeth has calculated the annual contribution required of each annual conference to sustain the Pre-82 benefit for current and future eligible retirees. The annual contribution amount is funded primarily through amounts apportioned to local churches based on the primary apportionment formula described at the beginning of this document.

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$1,000,000 |
| 2017 Received from Churches | \$ 903,594  |
| 2017 % Received             | 90.36%      |
| 2018 Apportionment          | \$1,000,000 |
| 2019 Apportionment          | \$ 750,000  |

## **EPISCOPAL FUND APPORTIONMENT #410**

The Episcopal Fund is one of three general apportioned funds which were a part of the financial plan of the Methodist Church from the time of its unification in 1939. It continued as the source of funding for the office of the episcopacy with the unification that created the United Methodist Church in 1968. The revenue from the Episcopal Fund apportionment:

Provides assistance to approximately 170 active and retired bishops in five Jurisdictions (US) and central conferences (those outside the US) and surviving spouses by:

Providing the salary, benefits and expenses of active bishops

Providing benefits to retired bishops and the surviving spouses and minor children of deceased bishops

Pays \$20,000 annually toward the costs for the Episcopal residence

Pays moving expenses for bishops

Covers costs of bishops' professional travel

Pays Episcopal office expenses, subject to approval by the General Council on Finance and Administration

All funds collected for the Episcopal Fund are sent by the Conference Treasurer's Office to the General Council on Finance and Administration on a monthly basis and are then distributed back to our Bishop's Office on a quarterly basis. All active bishops are paid the same salary based on General Conference action each quadrennium. Each bishop is allocated a budget for office expenses which includes secretarial salary and benefits along with all other office expenses.

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|-----------------------------|------------|
| 2017 Apportionment          | \$ 900,000 |
| 2017 Received from Churches | \$ 801,560 |
| 2017 % Received             | 89.06%     |
| 2018 Apportionment          | \$ 900,000 |
| 2019 Apportionment          | \$ 875,000 |

## **WORLD SERVICE APPORTIONMENT #411**

World Service is God's people reaching out in love and compassion in the name of Christ. According to *The Book of Discipline 2016* ¶812, "The World Service Fund is basic in the financial program of The United Methodist Church. World Service on apportionment represents the minimum needs of the general agencies of the Church. Payment in full of these apportionments by local churches and annual conferences is the first benevolent responsibility of the Church."

Not only does this apportionment provide for the administrative structure of our General Church, the major thrust in mission giving in our Church also begins with the World Service Fund. The World Service Fund enables the United Methodist to be in mission and ministry in 167 countries throughout the world. Because of our contributions to World Service, every dollar that we contribute for the support of approximately 1,070 mission personnel goes directly to them because overhead expenses are funded through World Service. When there are not enough funds available to provide salary support for these missionaries through our advance special giving, World Service funds are used to make up this shortfall.

World Service is really about the people in local congregations all across the Virginia Conference who live, work, and do ministry where they are - and have enough love and resources to reach out to the world beyond their door.

*Acts 1:8 But the Holy Spirit will come upon you and give you power. Then you will tell everyone about me in Jerusalem, in all Judea, in Samaria, and everywhere in the world."*

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|                             |             |
|-----------------------------|-------------|
| 2017 Apportionment          | \$3,035,000 |
| 2017 Received from Churches | \$2,631,580 |
| 2017 % Received             | 86.71%      |
| 2018 Apportionment          | \$3,040,000 |
| 2019 Apportionment          | \$3,000,000 |

## GENERAL & JURISDICTIONAL CONNECTIONAL FUND APPORTIONMENT #412

This fund is the combination of two apportioned items - the General Administration Fund from the General Church and the SEJ Mission & Ministry Fund from the Southeastern Jurisdiction. Both of these funds finance church activities that are administrative in nature plus the program ministries of the Jurisdiction.

The *General Administration Fund* was established as a part of the original financial plan of the Methodist Church at its unification in 1939. It was continued in the United Methodist Church as the source of funding for the session of the General Conference every four years, the Judicial Council, and other general church agencies deemed to be administrative in nature. Other major recipients of this fund are the General Council on Finance and Administration, General Commission on Archives and History, and Judicial Council and Contingencies.

The *Southeastern Jurisdictional Mission & Ministry Fund* provides administrative costs for Jurisdictional Council offices, program support for the Jurisdiction, and the costs of the SEJ Jurisdictional Conference each quadrennium. This fund provides per diem plus travel costs for almost 600 delegates to the four-day Jurisdictional Conference. One of the major responsibilities of these delegates is the election of bishops.

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|-----------------------------|------------|
| 2017 Apportionment          | \$ 482,000 |
| 2017 Received from Churches | \$ 416,046 |
| 2017 % Received             | 86.32%     |
| 2018 Apportionment          | \$ 426,000 |
| 2019 Apportionment          | \$ 420,000 |

## **MINISTERIAL EDUCATION APPORTIONMENT #413**

Men and women choose ordained ministry because God calls them. Since 1968, the Ministerial Education Fund has helped thousands of men and women answer that call to become pastoral leaders in The United Methodist Church.

*The Book of Discipline 2016* ¶816 states “The maximum amount possible from this fund shall go directly for programs and services in theological education, the enlistment and continuing education of ordained and diaconal ministers and courses of study.” The Virginia Conference retains twenty-five percent of all funds received for use by the Board of Ordained Ministry for scholarships, clergy professional development and continuing education and programs to encourage men and women to respond to the call to ordained ministry.

The seventy-five percent that goes to the GBHEM is used for recruitment and education of persons for licensed and ordained ministry and to support the following thirteen United Methodist theological schools:

Boston University School of Theology  
Candler School of Theology, Emory University  
Claremont School of Theology  
Drew Theological School  
Duke Divinity School  
Gammon Theological Seminary  
Garrett-Evangelical Theological Seminary  
Iliff School of Theology  
Methodist Theological School in Ohio  
Perkins School of Theology, Southern Methodist University  
St. Paul School of Theology  
United Theological Seminary  
Wesley Theological Seminary

The Ministerial Education Fund is essential to assure the tradition of well-educated clergy for The United Methodist Church.

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|-----------------------------|-------------|
| 2017 Apportionment          | \$1,025,000 |
| 2017 Received from Churches | \$ 876,805  |
| 2017 % Received             | 85.54%      |
| 2018 Apportionment          | \$1,030,000 |
| 2019 Apportionment          | \$1,000,000 |

## BLACK COLLEGE FUND APPORTIONMENT #414

Immediately following the Civil War, the Methodist Church was the first to recognize its moral responsibility to provide educational opportunities for black people newly freed from slavery. Schools and colleges supported by the church were developed throughout the southern part of the United States, mostly by the Methodist Freedmen's Aid Society. Between 1866 and 1882, the society established more than 70 schools in the South and Southwest.

Today, eleven of these schools remain and are supported by the United Methodist Church through the Black College Fund. These schools provide opportunities for many promising students who may otherwise be excluded from higher education. The supported colleges and universities are:

|                             |                   |
|-----------------------------|-------------------|
| Bennett College             | Greensboro, NC    |
| Bethune-Cookman College     | Daytona Beach, FL |
| Clafin College              | Orangeburg, SC    |
| Clark Atlanta University    | Atlanta, GA       |
| Dillard University          | New Orleans, LA   |
| Huston-Tillotson University | Austin, TX        |
| Meharry Medical College     | Nashville, TN     |
| Paine College               | Augusta, GA       |
| Philander Smith College     | Little Rock, AR   |
| Rust College                | Holly Springs, MS |
| Wiley College               | Marshall, TX      |

Dr. Samuel DuBois Cook, president emeritus of Dillard University in New Orleans, stated, “Black colleges are...sources and catalysts of leadership for the church, culture, and the professions, as well as shining examples of cultural pluralism, educational diversity, integrity, justice, humanistic consciousness and ethical sensitivity, and the liberal arts tradition. They effectively and passionately bridge the communities of faith and learning.”

The Black College Fund was established in 1972 by the General Conference as an apportioned benevolence fund to provide a constant reliable way to support United Methodist-related historically Black colleges.

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|-----------------------------|------------|
| 2017 Apportionment          | \$ 410,000 |
| 2017 Received from Churches | \$ 352,688 |
| 2017 % Received             | 86.02%     |
|                             |            |
| 2018 Apportionment          | \$ 410,000 |
| 2019 Apportionment          | \$ 400,000 |

## **AFRICA UNIVERSITY FUND APPORTIONMENT #415**

Three decades ago, African bishops of The United Methodist church surveyed the developing socio-economic and political needs in their countries. They called on the church to invest in higher education in Africa and to create “a university for all of Africa”.

We continue to invest in Zimbabwe’s first private university for men and women from all over Africa. The university offers dynamic programs that include: agriculture and natural resources, education, health sciences, humanities and social sciences, management and administration and theology. The Institute of Peace, Leadership and Governance offers postgraduate studies and master’s programs.

A university in Africa is exciting to Africans who want to study in their own continent where the curriculum and instruction emphasize African culture, perspectives, and concerns. The cost and inconvenience for an African to travel to Europe, Latin America, or the United States for college or university education is great. To educate an African student in the United States costs approximately three times what it would to educate that same student in Africa.

Africa University provides the United Methodist Church with an unprecedented opportunity to minister to millions of people and to positively impact the continent of Africa through the leadership and guidance provided by graduates of Africa University.

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|                             |           |
|-----------------------------|-----------|
| 2017 Apportionment          | \$ 92,000 |
| 2017 Received from Churches | \$ 80,393 |
| 2017 % Received             | 87.38%    |
| 2018 Apportionment          | \$ 92,000 |
| 2019 Apportionment          | \$ 90,000 |

## INTERDENOMINATIONAL COOPERATION FUND APPORTIONMENT #416

United Methodists acknowledge that we are but a small part of the worldwide Christian church – the living body of Christ. This fund supports ecumenical efforts to foster a renewal of Christian unity and understanding as we work with other Christian communions to witness to a common faith, meet human suffering and advocate for peace and justice worldwide. Some of the major ministries funded through ICF include:

World Council of Churches - Founded in 1948, the WCC is a community of churches on the way to visible unity in one faith and one Eucharistic fellowship, expressed in worship and in common life in Christ. WCC is a world fellowship of 345 member communions representing 500 million Christians in more than 110 countries. The United Methodist Church's forerunner denominations, Methodist and EUB, were charter members.

National Council of Churches of Christ in the USA - The NCC has been a leading force for ecumenical cooperation among Christians in the United States. Formed in 1950, the NCC includes 37 Protestant, Anglican, Orthodox, Evangelical, historic African American and Living Peace churches with 45 million members. The unity of the NCC demands inclusivity and a respect for diversity and strives to embody this belief in the programs that address critically important needs. The two priorities of the NCC are mass incarceration and interreligious relations with a focus on peace.

Churches Uniting in Christ - Eleven Christian communions are joined together in expressing their unity in Christ and combating racism. Their marks of commitment include receiving each other as Christ's church, promoting wholeness and inclusion and engaging in mission and anti-racism. These eleven member communions are:

African Methodist Episcopal Church  
African Methodist Episcopal Zion Church  
Christian Church (Disciples of Christ)  
Christian Methodist Episcopal Church  
The Episcopal Church  
International Council of Community Churches  
Moravian Church (Northern Province)  
Presbyterian Church (USA)  
United Church of Christ  
United Methodist Church  
Evangelical Lutheran Church in America

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|                             |           |
|-----------------------------|-----------|
| 2017 Apportionment          | \$ 81,000 |
| 2017 Received from Churches | \$ 70,794 |
| 2017 % Received             | 87.40%    |
| 2018 Apportionment          | \$ 81,000 |
| 2019 Apportionment          | \$ 80,000 |