

GCFA Staff and Contacts

Staff Whom You May Be In Contact

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 - Primary contact related to payments to the General Church
 - Apportionments
 - Special Sundays
 - World Service Specials
 - Etc.
- Greg Gross, Controller ggross@gcfa.org 615-369-2323
 - Also can be contacted if Kimberly is not available
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General Church Apportionment Formula and the Annual Conference

Rick King, GCFA CFO

Apportionment Formula

$$A = E * P$$

A = Apportionments

E = Local Church Net Expenditures

P = Base Percentage (of net expenditures)

What Churches are Included?

- All Chartered churches (including Satellite/campus churches) are included.
- Churches designated as Mission or New Church Start are excluded.

Net Expenditures

What Is Included?

- Direct-billed pension and health benefits
- All church clergy and staff compensation/benefits
- Program and Operating Expenses
- Net Conference Apportionments – (Total Apportionments paid to the conference excluding benevolent/program related apportionments)

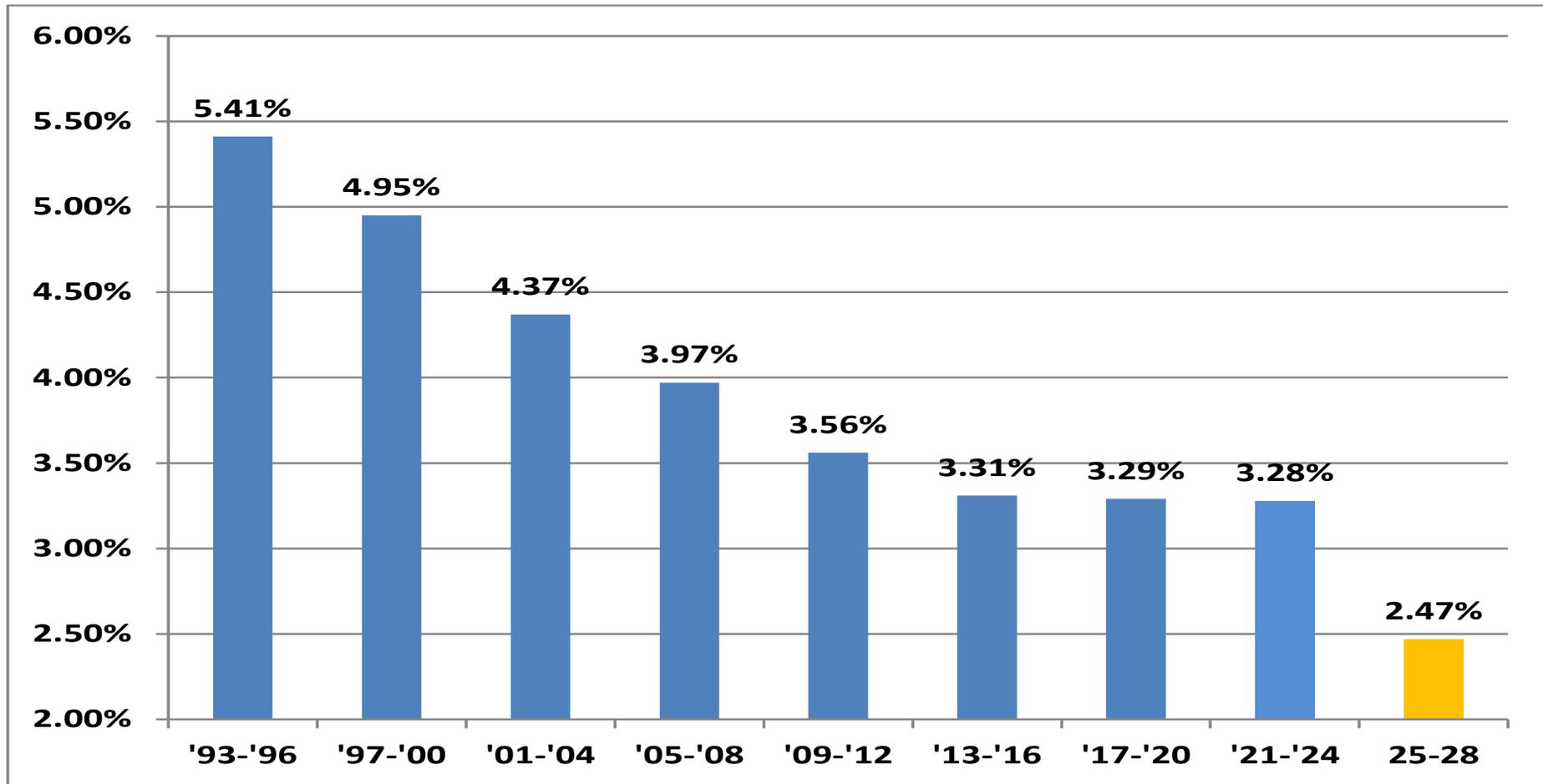
What is NOT included?

- Benevolent giving
- Debt payments
- Capital expenditures
- Benevolent / program Apportionments paid to the Conference

Base Percentage

- Approved by General Conference & found in report # 8 of the Financial Commitment Book
- The factor by which local church net expenditures is multiplied

Base Percentage Trends



General Conference Approvals & Actual vs. Projected Apportionments

Why is there a 3 year lag between Net Exp. And Apportionments?

- Apportionments are given annually to the Annual Conferences to prepare budgets for their annual conferences in the Spring.
- 2024 General Church apportionments were provided in earlier in 2023.
- At this time the most recent statistics GCFA had for local churches is 2021 data.
- So 2024 apportionments are based upon 2021 net expenditures or a 3 year lag.
 - Churches that disaffiliated or closed in 2022 were excluded from the 2021 statistics for the apportionment calculation

General Conference Budget Approval

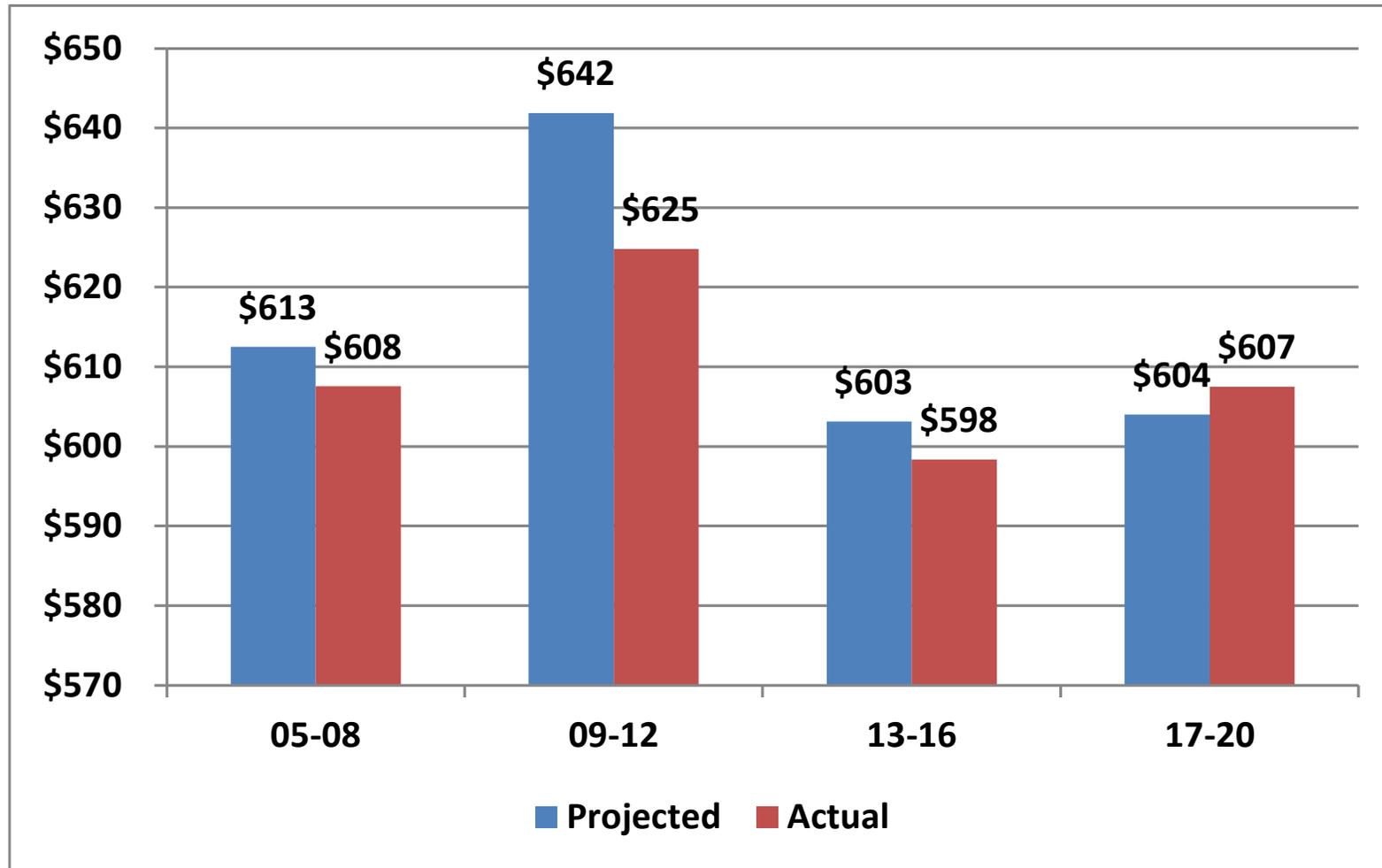
- General Conference approves an apportionment formula (Report 8)
- The Base Percentage used in the apportionment formula (Report 8)
- Allocation of dollars between and within funds (Reports 1-7)
- An estimate of the 4 year apportionment total.
 - The total is an estimate due to the fact there is a 3 year lag between the year of the Net Expenditures and the year of Apportionments. So the Actual net expenditures are not yet known for all years of the upcoming budget period.

How are Net Expenditures Estimated / Projected?

The Economic Advisory Committee of GCFA projects the Net Expenditures using a Structural Projection Model that incorporates the following variables:

- Prior years actual Net Expenditures
- Projections of U.S. Gross Domestic Product
- Inflation Projections
- Average Weekly Worship Attendance
- Annual Conference Survey related to impact of disaffiliation

Projected vs. Actual Apportionments in Millions of \$



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General Council on Finance and Administration

THE UNITED METHODIST CHURCH

*thank
you*



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