

## How Apportionments Are Calculated For A Local Church

Step 1: The local church completes Statistical Tables 1, 2, & 3 in January / February of each year and reports that information to the Conference

Step 2: For Apportionments the Conference totals lines 48 – 57 (inclusive) from TABLE 2 for each church in the Conference. We refer to as the “NET FUNDS”

- 48. Total amount paid in base compensation to the pastor.....
- 49. Total amount paid in base compensation to all associate pastors assigned by the bishop ....
- 50. Total amount paid to/for pastor and associate(s) for housing and utilities and/or related allowances .....
- 51. Total amount paid to pastor and associate(s) for accountable reimbursements.....
- 52. Total amount paid to pastor and associate(s) for any other cash allowances (non accountable)
- 53. Total amount paid in salary and benefits for Deacons.....
- 54. Total amount paid in salary and benefits for Diaconal Ministers.....
- 55. Total amount paid in salary and benefits for all other church staff .....
- 56. Total amount spent for local church program expenses .....
- 57. Total amount spent for other local church operating expenses.....

Step 3: The Conference calculates an “AVERAGE NET FUNDS” for each church. This is a two year average of “NET FUNDS.” So 2016 apportionment calculations will include the 2013 and 2014 NET FUNDS.

Step 4: The AVERAGE NET FUNDS for all churches are added together to arrive at a total.

Step 5: Each church is assigned a factor/weight based on its AVERAGE NET FUNDS as a percentage of the total of all churches AVERAGE NET FUNDS.

Step 6: The local church’s factor from Step 5 is then multiplied against the approved budget to calculate the individual church’s share of apportionments.

### Important Reminders:

- The placing of ACTUAL expenses on Table 2 is very important
- An expense should only be reported once on Table 2
- Items such as what a church spends on capital additions/improvements, debt repayments, and missions does not factor into the apportionment calculation if reported on the correct lines (i.e. not on lines 48 – 57)
- **ONCE APPORTIONMENTS ARE SET THEY CANNOT BE CHANGED**

EXAMPLE

The Annual Conference has three churches. The budget passed by the Annual Conference is \$15,000.

The NET FUNDS (By Year) reported below calculate to the AVERAGE NET FUNDS (A 4 Year Average) for three churches as follows:

(Amounts below in whole \$)

Church	2013 Net Funds	2014 Net Funds	2 Year Average
A	46,000	54,000	50,000
B	31,000	29,000	30,000
C	18,000	22,000	20,000



CHURCH	2 Year Average	Factor Calculation Church Avg / Total	Factor
A	50,000	50,000 / 100,000 =	50 %
B	30,000	30,000 / 100,000 =	30 %
C	20,000	20,000 / 100,000 =	20 %
<b>Total</b>	<b>100,000</b>		

Church	Factor		2016 Conference Budget = \$15,000		Apportionment
A	50 %	X	15,000	=	7,500
B	30 %	X	15,000	=	4,500
C	20 %	X	15,000	=	3,000
<b>Total</b>					<b>\$15,000</b>