

Important information to help your churches understand about the following changes in apportionments for 2012 that were approved at Annual Conference:

- Changes in the Apportionment Formula:

All apportionments, **except for the “Active Clergy Health”** are calculated using the last year of available statistics of each local church (i.e. 2012 apportionments are calculated using 2010 year-end Statistical Tables). **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.** The apportionments for each church are sent to each district based on decimal calculations from the formula below:

$$\left[\frac{\text{Individual church net paid expenses for 2010}}{\text{Total of all conference churches net paid expenses for 2010}} \right] = \text{Church Decimal}$$

- Active Clergy Health Apportionment Formula:

“Active Clergy Health” will be apportioned using a 2-tier calculation:

- 1) A fixed dollar amount (\$5,000) **for each charge that has a full-time pastor** (eligible for health benefit). If the charge has more than one church the \$5000 is divided equally between them.
- 2) Plus an amount that will be based on what a church pays for clergy *compensation (**regardless of part-time or full-time pastor**) divided by the total clergy compensation paid by all conference churches for 2010. See formula below.

$$\left[\frac{\text{Individual church paid for clergy compensation for 2010}}{\text{Total of all conference churches paid for clergy compensation for 2010}} \right] = \text{Church Decimal for Active Health apportionment}$$

The church decimal is then multiplied by the church’s 2010 clergy compensation

So what this means, is that churches with a full-time pastor will be apportioned tier #1 and #2. Pastors with part-time, lay supply, retired, etc. will be apportioned only tier #2.

Rev. Steve Hundley, Roanoke DS, Member CFA has available a YouTube video– a good resource to help churches understand health apportionment. Go to <http://www.youtube.com/watch?v=temX7yIRxS0> Also, available is a document using a church’s calculation of their apportionments.

**Compensation = cash salary + accountable reimbursement/travel*