



A RENEWED FOUNDATION

Apportionment Sustainability Task Force

June 2018

Report

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OVERVIEW

During and soon after General Conference 2016, valid questions were raised regarding the sustainability of the general Church apportionment system in the United States. The General Council on Finance and Administration (GCFA), working with Bishop Mike McKee as the GCFA Board President, determined it would be appropriate to conduct a study regarding general Church apportionment sustainability. The Council of Bishops, through each respective Jurisdictional College of Bishops, identified a group of fifteen persons to serve as members of the Apportionment Sustainability Task Force. This group was composed of one clergy, one lay, and one episcopal leader from each of the five United States Jurisdictions, and began meeting in the Spring of 2017.

The Task Force focused on key questions as they relate to general Church apportionment sustainability:

- Are the annual conferences sustainable?
- How are general Church apportionments currently being paid by annual conferences?
- Is the current general Church apportionment model sustainable?
- What adjustments should be made to the model, if any?

During its initial meetings, the Task Force reviewed historical data regarding general Church apportionments, aggregate local church statistics, the seven general Church funds, and general Church agency apportionment support. The Task Force requested additional data from GCFA, Wespath, and the annual conferences in order to facilitate these discussions.

In the discussions, the Task Force recognized the good work and ministry being done by the general Church. The following report, prepared for GCFA, the Connectional Table, and the Budget Advisory Team, details the Task Force's primary recommendations. It is hoped that these recommendations will assist in development of the level of general Church apportionments for the 2021-2024 quadrennium.

It is further hoped that the recommendations will result in sustainability of the general Church apportionment system in order to continue the work of the global Church into the future.

WE BELIEVE

- ... the mission of The United Methodist Church is as critical today and into the future as it has ever been. We have seen first-hand how our Wesleyan vision has changed lives and transformed the world. We love our Church and we are concerned about the future of our mission.
- ... mission is local and contextual and the church's mission is enhanced, best supported and achieved through local churches (*Book of Discipline* Par. 120.: "Local churches ... provide the most significant arenas through which disciple-making occurs.") We recognize it takes a partnership to achieve the mission - the local church, annual conferences and the general Church all serving together. However, it is vital, healthy, disciple making congregations that are critical to the entire mission. Today, vitality is being depleted in large part due to decreased capacity in our congregations to partner and do the mission.

AN HONEST DESCRIPTION OF OUR CURRENT REALITY

- We foresee a day coming soon when a local church will sacrifice its own health if we continue to apportion dollars as we do now.
- The sustained health of the connection is dependent on the sustained health of the local churches so we need to ensure that our churches have resources for making disciples.
- We need to shift from a system based on what the local church can bear to a system that empowers the local churches to make disciples.
- In the near future - and based on the current facts listed below - there will be a dramatically different church leading to a precipitous decline in the apportionment dollars available to the connection:
 - 27% Decline in Professions of Faith in last eight years.
 - 15% Decline in Average Worship Attendance in last eight years.
 - 10% Decline in Membership in last eight years.
 - Closed churches accelerating and outnumbering new churches nearly 3 to 1.
 - Cost of clergy (salary and benefits) is an ever increasing share of the budget.
 - The average age of United Methodists of 57, which is tied for the second “oldest” religious institution in the United States.
 - Income from dying United Methodists not being replaced by new people joining. In some churches, it takes six new givers to make up for the loss of one current giver.
 - Larger churches carrying a larger part of the burden, some of which are in the best position to achieve the church’s mission in their own contexts.
 - The amount of deferred maintenance in our buildings and the increase of building costs.
 - Continued liability of pension and retiree health plans.
 - Dislocations and declines associated with current disputes on issues splitting the denomination.

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RECOMMENDATIONS

- We believe a new future of The United Methodist Church must be built on a renewed local church foundation. Therefore, we recommend a reduction in general Church apportionment support of 25% by reducing the base percentage. A 25% reduction:
 - Causes us to imagine and dream about what the church of the 21st century is all about.
 - Creates a more flexible and nimble system and ushers in a new paradigm.
 - Recalibrates the connection and encourages collaboration at the general Church level.
- Agencies and ministries supported by general Church apportioned funds would recalibrate by identifying reductions to budgets. The percentage of reductions may not necessarily be spread evenly over all the agencies and general Church funds. Consistent with their *Book of Discipline* requirements, the Connectional Table and GCFA would facilitate reallocation of funds with the General Secretaries and leaders of general Church funded ministries.

“We believe a new future of The United Methodist Church must be built on a renewed local church foundation.”

SUMMARY

This is not about the sustainability of the apportionment system but about creating a new future for The United Methodist Church, the general church, and the local congregations.

ADDITIONAL RECOMMENDATIONS

1. Invite every congregation, annual conference and general church agency to use the following questions for shaping ministry, mission and resource decisions:
 - a. Will this decision maximize making disciples of Jesus Christ to transform the world?
 - b. Will this decision recruit and develop more transformational lay and/or clergy leaders?
 - c. Will this decision grow the vitality of congregations?
2. Encourage the Connectional Table and GCFA to identify careful monitoring and impact of these recommendations consistent with their *Book of Discipline* requirements. The Connectional Table and GCFA will continue to assess if these recommendations stabilize and turnaround financial, missional and attendance challenges.
3. The i-factor does not represent the United Methodists in the pews but rather the economic conditions in the area. We recommend the Economic Advisory Team review and assess the effectiveness of the i-factor as a just method of economic adjustment, and make any necessary recommendations to the Budget Advisory Team.
4. We recommend annual conferences consider issues of sustainability while focusing on making disciples, vital congregations and the transformation of the world, and encourage a commitment to paying 100% of general Church apportionments. Additionally, we recommend that annual conferences look for ways to fund innovative ideas to develop leaders and new faith communities.

TASK FORCE MEMBERS

South Central Jurisdiction

- Bishop Mike McKee (Chair)
- Rev. Dr. Elijah Stansell, Jr.
- Ms. Kelly Williams

Southeast Jurisdiction

- Bishop Sue Hauptert-Johnson
- Rev. Alex Shanks
- Ms. Sheila Ahler

North Central Jurisdiction

- Bishop Tracy Smith Malone
- Rev. Rob Fuquay
- Mr. Bill Brownson

Northeast Jurisdiction

- Bishop John Schol
- Rev. Ianther Mills
- Mr. Ross Williams

Western Jurisdiction

- Bishop Minerva Carcaño
- Rev. Kim Fields
- Ms. Archana Carey