

## HOW IS MY CHURCH'S APPORTIONMENT CALCULATED?

The amount typically billed to a church is made up of three pieces: Apportionment, Direct Bills, and Salary Withholdings

**Apportionments:** A church's apportionment are equal to 16% of their current operating income. This is very similar to tithing except the percentage is higher than 16%. Each month, churches will look at their operating income and will give 16% of that income to the Conference. Primarily the operating income subject to the apportionment is Sunday morning offerings given directly to support the general fund or operating budget. This apportionment applies to all Dakotas United Methodist churches.

**Direct Bills:** There are currently three direct bills used to pay for pastor pension and health benefits. Churches/charges are only billed for the benefits their pastor receives. The HealthFlex Direct Bill (\$11,981 in 2016) pays for health insurance for a pastor and the pastor's family. This is a blended rate where the cost is the same no matter if your pastor is single or has a family. This amount is 75% of the cost of the premium while the other 25% is paid for by the pastor.

The Pension Direct Bill pays for the pastor's primary pension plan known as CRSP as well as the death/disability insurance. Part-time pastors are also enrolled in CRSP. The amount billed to a church/charge depends on the pastor's salary and whether or not they are full-time or part-time.

**Salary Withholdings:** Pastors enrolled in our benefit plans often have salary withholdings as well. Pastors on the health plan have a certain amount withheld to pay their 25% portion of the premium. Any other withholdings are voluntary elections made by the pastor for their UMPIP retirement account or the flexible spending plan.

# APPORTIONMENTS

## How Does the Conference Use the Money We Give? How is our Church's Amount Calculated?

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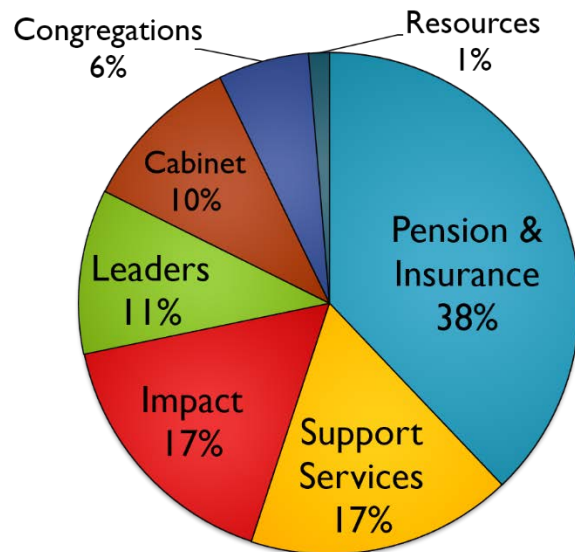
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## HOW IS THE MONEY USED?



**PENSION & INSURANCE (38%)** – Every full-time United Methodist pastor receives health benefits and death/disability insurance. In addition, non-retired pastors serving ½-time or greater will be enrolled in the pension plan. The costs of these benefits are passed on directly to the church(es) the pastor is appointed to. Here are some details:

- 75% of health insurance premiums for currently 125 full-time active pastors and their families. Average premium is \$15,727.
- Pension contributions for 142 active pastors. Churches pay only the actual cost for their pastor’s pension.
- Death and disability insurance for 125 full-time active pastors. This coverage offers a death benefit if the pastor, spouse, or any children pass. It also replaces 70% of the pastor’s income if the pastor should become disabled.

**MISSIONAL IMPACT (17%)** – This is used to support the work of the General Church (bishops, seminaries, UMCOR, Africa University, and missionaries). We also have an amount going to support Native American Ministries and missionaries based in the Dakotas.

**SUPPORT SERVICES (17%)** – This includes much of the “infrastructure” of the Conference from Trustees to Communications to Archives & History to the Annual Conference Session to Conference Staff. This area of our budget supports all other areas.

**MISSIONAL LEADERS (11%)** – This section is focusing on equipping current leaders (lay & clergy) as well as raising up the next generation of clergy leaders. This is done through a combination of training programs as well as through our excellent camps.

**CABINET (10%)** – This provides for the work of our four District Superintendents who supervise pastors and are the primary connection between the church and the Conference. Some of this section is used to help move pastors when they are appointed to a different church.

**MISSIONAL CONGREGATIONS (6%)** – This section is focused on establishing new congregations. We’ve established ten new congregations since 2010. It also focuses on equipping our new churches through a very disciplined process. Churches are invited to participate. The end result is churches receive prescriptions on how to resolve issues that are harming their ministry.

**MISSIONAL RESOURCES (1%)** – Primarily this provides for the work of the Finance Office. Financially, we act as the connection between churches and the various United Methodist ministries in the Dakotas and around the world.