



United Methodist Insurance Program

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QUADRENNIAL TRAINING 2025

Commission on Equitable Compensation

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W e l c o m e ! ! !

Making Grants II

Rev. Jeremy L. Howell

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| For Fiscal Year: | 2009 | 2010 | 2011 | 2012 |
|--|------|------|------|------|
| Average worship attendance | | | | |
| (Table I, Line 10) | | | | |
| Indebtedness | | | | |
| (Table I, Lines 36+37; 38+39) | | | | |
| <i>[Italics represent new form for 2009]</i> | | | | |
| Ministerial Support | | | | |
| (Total for Charge from Support form) | | | | |
| Support for other staff | | | | |
| (Table II, Line 70; 60) | | | | |
| Total Expenditures | | | | |
| (Statistical Tables, Conference Journal, Line 76; or Annual Audit "General Fund (c) ") | | | | |
| Giving Units | | | | |
| (Table III; 66) | | | | |
| Total Receipts, General Fund | | | | |
| (Table III, 1; 67) | | | | |
| Total, Other Sources&Proj. | | | | |
| (Table III, 2; 68) | | | | |

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| | | | | |
|---|-------|-------|-------|-------|
| Total, Methodist funding | \$0 | \$0 | \$0 | \$0 |
| (Table III, 3; 69) | | | | |
| | | | | |
| Percent Apportionment Paid | 0.00% | 0.00% | 0.00% | 0.00% |
| (Minutes of the Charge Conf.) | | | | |
| Section IV.) | | | | |
| | | | | |
| Percent Direct Billing Paid | 0.00% | 0.00% | 0.00% | 0.00% |
| | | | | |
| Funds in Reserve Accounts | \$0 | \$0 | \$0 | \$0 |
| (Include all savings, CDs, investment accounts, etc. <i>except</i> Building Funds.) | | | | |
| | | | | |
| Do they have an annual stewardship campaign? | | | | |
| | | | | |
| | | | | |
| What other staff are they paying? | | | | |
| | | | | |

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Scenario 1

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A DS sends you a grant request for a church that has had a retired supply the last four years. The church has seen good growth and the DS wants to appoint an elder with at least 6 years experience. The request is for \$4200 to bring the salary up to minimum. The data shows that attendance is up more than 20% and the number of giving units is up about 10%. They have paid 100% of their apportionments the last 5 years. What is your next step?

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Looking at the financial reports of the church, you notice that under funds received from other projects, other sources, etc., that they have averaged about \$20,000 for the last three years. What do you do?

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Upon calling the DS, you learn that the special project funds raised have been used to pay off a Direct Billing arrearage owed to the conference. They will completely pay off that debt in December. What do you do now?

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Scenario 2

| For Fiscal Year: | 2010 | 2011 | 2012 | 2013 |
|---|----------|----------|----------|----------|
| Average worship attendance (Table I, Line 10) | 87 | 82 | 79 | 74 |
| Indebtedness (Table I, Lines 36+ 37; 38+ 39) <i>[Italics represent new form for 2009]</i> | \$63,500 | \$58,000 | \$52,500 | \$47,000 |
| Ministerial Support (Total for Charge from Support form) | \$41,000 | \$42,150 | \$42,150 | \$42,150 |
| Support for other staff (Table II, Line 70; 60) | \$2,600 | \$3,120 | \$4,000 | \$4,800 |
| Total Expenditures (Statistical Tables, Conference Journal, Line 76;) or Annual Audit "General Fund (c) ") | \$88,761 | \$91,898 | \$90,524 | \$87,368 |
| Giving Units (Table III; 66) | 48 | 45 | 46 | 44 |
| Total Receipts, General Fund (Table III, 1; 67) | \$92,493 | \$90,579 | \$84,102 | \$85,058 |
| Total, Other Sources&Proj. (Table III, 2; 68) | \$0 | \$0 | \$0 | \$2,897 |
| Total, Methodist funding (Table III, 3; 69) | \$0 | \$0 | \$0 | \$0 |
| Percent Apportionment Paid (Minutes of the Charge Conf.) Section IV.) | 88.00% | 91.00% | 79.00% | 65.00% |
| Percent Direct Billing Paid | 100.00% | 100.00% | 91.70% | 83.40% |
| Funds in Reserve Accounts | \$17,320 | \$16,001 | \$9,579 | \$10,166 |

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Scenario 3

| For Fiscal Year: | 2009 | 2010 | 2011 | 2012 |
|--|----------|----------|--------------|--------------------|
| Average worship attendance (Table I, Line 10) | 35 | 55 | 55 | 50 |
| Indebtedness (Table I, Lines 36+37; 38+39) <i>[Italics represent new form for 2009]</i> | | | | |
| Ministerial Support (Total for Charge from) Support form) | \$14,315 | \$14,315 | \$16,092 | \$10,857 |
| | \$856 | \$856 | 1200 non-acc | 6000 non accountab |
| Support for other staff (Table II, Line 70; 60) | \$4,920 | \$4,920 | \$4,920 | \$4,920 |
| Total Expenditures (Statistical Tables, Conference Journal, Line 76;) or Annual Audit "General Fund (c) ") | \$43,091 | \$42,060 | \$39,883 | \$37,023 |
| Giving Units (Table III; 66) | 47 | 55 | 55 | 50 |
| Total Receipts, General Fund (Table III, 1; 67) | \$43,648 | \$43,648 | \$43,648 | \$0 |
| Total, Other Sources& Proj. (Table III, 2; 68) | | | \$0 | \$0 |
| Total, Methodist funding (Table III, 3; 69) | | | | |
| Percent Apportionment Paid (Minutes of the Charge Conf.) Section IV.) | 39.92% | 54.07% | 100.00% | 100.00% |
| Percent Direct Billing Paid | 29.28% | 47.34% | 37.28% | 46.92% |
| Funds in Reserve Accounts (Include all savings, CDs, investment accounts, etc. <i>except</i> Building Funds.) | | | | |

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Scenario 4

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A request for funds is submitted that includes the attached information. Also included is a statement from the DS: “This is a two point charge. Asbury is doing well, but St. John’s, the smaller of the two congregations, has experienced several recent deaths of significant contributors. However, a new development is being built nearby that could offer growth potential for St. John’s.”

| | | | | | | Asbury | St. John's | Church C | EQUIT. COMP |
|----|---|-------------------------------|--|--|--|-------------|-------------|----------|----------------|
| | | GCFA Church Number | | | | | | | |
| | | Church Name | | | | Asbury | St. John's | | |
| A | Cash Compensation | | | | | \$16,525.00 | \$13,525.00 | | \$3,000.00 |
| B | TAX Deferred Pension Contributions | | | | | \$1,000.00 | \$1,000.00 | | |
| C1 | Pastor's Portion of Health Insurance Premiums | | | | | \$1,225.00 | \$1,225.00 | | |
| C2 | Dependent Day Care | | | | | | | | |
| D | Clergy Parsonage Exclusions Resolution* | | | | | \$2,000.00 | \$2,000.00 | | |
| | | | | | | \$18,750.00 | \$15,750.00 | \$0.00 | \$3,000.00 |
| | | TOTAL FOR CHURCH or EQ. COMP. | | | | | | | |
| | | | | | | | | | |
| | | TOTAL CHARGE COMPENSATION | | | | \$37,500.00 | | | |
| | | (including Eq. Comp. support) | | | | | | | |

What further data might you be interested in?

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| | | Percent | | |
|------------|--|---------|--------|--------|
| | | 2010 | 2011 | 2012 |
| | | | | |
| Asbury | | 61.44% | 61.52% | 62.54% |
| | | | | |
| St. John's | | 38.56% | 38.48% | 37.46% |

Receipts_(Asbury)

----- x 100 = Percent Receipts

Receipts_(Asbury) + Receipts_(St John's)

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| | | Receipts | | |
|------------|--|----------|----------|----------|
| | | 2010 | 2011 | 2012 |
| | | | | |
| Asbury | | \$62,484 | \$65,212 | \$66,101 |
| | | | | |
| St. John's | | \$39,218 | \$40,797 | \$39,586 |

Expenses (Asbury)

----- x 100 = Percent Expenses

Expenses (Asbury) + Expenses (St John's)

Com

| 3 year Average Receipts | | | | |
|-------------------------|--|--------|--|--|
| | | | | |
| Asbury | | 61.83% | | |
| | | | | |
| St. John's | | 38.17% | | |
| | | | | |

=

| 3 year Average Expenses | | | | |
|-------------------------|--|--------|--|--|
| | | | | |
| Asbury | | 59.42% | | |
| | | | | |
| St. John's | | 40.58% | | |
| | | | | |

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| | 3 year Avg Pct Receipts and Expenses | | | |
|------------|--------------------------------------|--------|--|--|
| | | | | |
| | | | | |
| Asbury | | 60.63% | | |
| | | | | |
| St. John's | | 39.37% | | |
| | | | | |

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\$37,500

Asbury 60%

St. Johns 40%

| | | | | | Asbury | St. John's | Church C | EQUIT COMP |
|----|---|---------------------------|-------------|--|----------|------------|------------|---------------|
| | | GCFA Church Number | | | | | | |
| | | | Church Name | | | Asbury | St. John's | |
| A | Cash Compensation | | | | \$15,000 | \$12,000 | | \$3,000 |
| B | TAX Deferred Pension Contributions | | | | \$1,200 | \$800 | | |
| C1 | Pastor's Portion of Health Insurance Premiums | | | | \$1,500 | \$1,000 | | |
| C2 | Dependent Day Care | | | | | | | |
| D | Clergy Parsonage Exclusions Resolution* | | | | \$1,800 | \$1,200 | | |
| | | | | | | | | |
| | | TOTAL FOR CHURCH | | | \$19,500 | \$15,000 | \$0 | \$3,000 |
| | | | | | | | | |
| | | TOTAL CHARGE COMPENSATION | | | | \$37,500 | | |

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$$\frac{\text{Receipts}_{\text{(Asbury)}}}{\text{Receipts}_{\text{(Asbury)}} + \text{Receipts}_{\text{(St John's)}}} \times 100 = \text{Percent Receipts}$$

$$\frac{\text{Expenses}_{\text{(Asbury)}}}{\text{Expenses}_{\text{(Asbury)}} + \text{Expenses}_{\text{(St John's)}}} \times 100 = \text{Percent Expenses}$$

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=

$$\frac{\text{Receipts}_{\text{(Asbury)}}}{\text{Receipts}_{\text{(Asbury)}} + \text{Receipts}_{\text{(St John's)}}} \times 100 = \text{Percent Receipts}$$

$$\frac{\text{Expenses}_{\text{(Asbury)}}}{\text{Expenses}_{\text{(Asbury)}} + \text{Expenses}_{\text{(St John's)}}} \times 100 = \text{Percent Expenses}$$

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Advantages:

1. More equitable.
2. Responsive to ongoing changes in financial status.
3. Use CEC to help the bigger church make the transition.

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¶ 625. Sustentation Fund—An annual conference may establish a Sustentation Fund for the purpose of providing emergency aid to the clergy of the conference who may be in special need. On recommendation of the conference council on finance and administration, the amount needed for this purpose may be apportioned to the pastoral charges as the conference may determine. The fund, if established, shall be administered jointly by the bishop, the appropriate district superintendent, and the chairperson of the commission on equitable compensation or the chairperson of such other agency as the annual conference may determine.

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JCD 492 “A ministerial member in good standing of an Annual Conference is entitled to an appointment and must be remunerated for the period of time that no appointment is made. This amount shall be not less than the conference minimum salary and other remuneration, provided in the conference rules prorated for the period without appointment.”

“The Conference Council on Finance and Administration shall be responsible for such payment.”

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JCD 1013 The conference council on finance and administration must consult with the conference commission on equitable compensation before submitting a recommended budget to the annual conference for its approval. Consultation means that the conference commission on equitable compensation and the conference council on finance and administration will make good faith efforts to reach agreement on the amount of support necessary to fully fund minimum base compensation and base compensation supplements for clergy. The obligation of the annual conference is to establish the annual conference budget and provide for equitable compensation for all clergy members in good standing.

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JCD 1226 Security of appointment has long been a part of the tradition of The United Methodist Church and its predecessor bodies. Abolishing security of appointment would destroy our historic plan for our itinerant superintendency. Fair process procedures, trials and appeals are integral parts of the privilege of our clergy of right to trial by a committee and of appeal and is an absolute right which cannot be eradicated by legislation.

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Do the rules of my Annual Conference make it possible that an eligible pastor may be denied their full compensation?

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¶247.13 The charge conference shall in consultation with the district superintendent set the compensation of the pastor and other staff appointed by the bishop.

Does the work of CEC conflict with this idea? How so?

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A DS calls you and says that an elder with 16 years of experience is on involuntary leave of absence and is entitled to CEC funds, paperwork to follow. What is your response?

“I need more information.”

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¶355.7 Clergy on involuntary leave of absence shall have no claim on the annual conference funds.

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¶355.7 Clergy on involuntary leave shall have no claim on the annual conference funds. The annual conference assumes no financial responsibility for salary, pension, or other benefits for clergy on involuntary leave of absence. Notwithstanding the foregoing, where the conference has made certain elections under applicable benefit plans that require continued participation by clergy on involuntary leaves of absence, the clergy shall continue to participate in such plans. They may participate in the conference health plan through their own contributions, if applicable. In exceptional circumstances, with the recommendation of the bishop and cabinet, salary and/or other benefits, subject to the terms of the applicable benefit plans, may be granted by vote of the clergy session of the annual conference. Between sessions of the annual conference, in unusual circumstances, the bishop and cabinet may recommend and the executive committee of the Board of Ordained Ministry may approve funding of pensions and other benefits, subject to the terms of the applicable benefit plans, pending approval by the annual conference.

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Questions?????



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