

## PNW CFA Recommendation on Petition #10

The Pacific Northwest Conference Council on Finance and Administration (“CFA”) supports the referral of Petition 10 as recommended by the legislative focus session. CFA would welcome this opportunity to collaborate with the petitioners and other interested parties on a thorough study and possible adjustment of the PNW Conference apportionment formula. Such evaluation is appropriate per ¶ 615 of *The Book of Discipline* (2020/2024 edition) when a change in the apportionment formula is proposed.

CFA undertook a preliminary review of Petition 10 and its supporting data as presented. Our conclusion is that the dataset and methodology used for page J-11 of the Pre-Conference Handbook were not sufficient to create an accurate estimate of impact.

The petitioners themselves disclosed that the impact statement published in the Pre-Conference Handbook used only data from 2024 to estimate congregational income. In addition, CFA’s review showed that the methodology used did not match the formula described within Petition 10 on page J-9 of the Pre-Conference Handbook.

Using the best data currently available, along with a methodology that exactly matched the formula described in Petition 10, CFA estimates that, **had the formula in Petition 10 been used to calculate 2026 apportionments, it would have resulted in a \$1,368,749.45 reduction in apportioned funds for 2026.**

2yr Average of Line 52	<\$100K	\$100K-\$250K	\$250K-\$700K	\$700K+	SUM
"Church Tithe" percentage applied to average income	7.50%	8.00%	9.00%	10%	
Total Number of Churches	78	63	44	5	190
Number of churches with an increase	10	3	5	1	19
Percentage of churches with an increase	12.82%	4.76%	11.36%	20.00%	
Number of churches with no change or a decrease	68	60	39	4	171
Total reduction in apportioned dollars	\$196,733.06	\$551,542.24	\$528,262.30	\$92,211.85	<b>\$1,368,749.45</b>

This \$1.37M difference represents a 35% reduction in the total size of the PNW Conference budget. Consequences for staffing and services would be dramatic. Additionally, if Petition 10 were passed as written, CFA’s analysis shows that it would have a disproportionately negative impact on ethnic congregations. In conversation with the petitioners, CFA understands that these impacts are not aligned with the petitioners’ original intent.

Therefore, CFA strongly recommends the referral of Petition 10 for further study by an ad hoc committee of CFA plus advisory members, **with the goal of bringing legislation for any appropriate changes in the apportionment formula before the voting body of the 2027 Annual Conference Session, for implementation starting January 1, 2028.**

The petitioners have agreed to serve on this ad hoc committee, and any other interested parties may indicate their willingness to serve as advisory members by contacting CFA ad hoc committee conveners John Townsend and Julia Frisbie ([Ranger.JT.Townsend@gmail.com](mailto:Ranger.JT.Townsend@gmail.com); [julia@faith.foundation](mailto:julia@faith.foundation)). It is expected that this committee will meet via Zoom not less than monthly from July 2026 through February 2027. The first meeting is set for Tuesday, July 7<sup>th</sup>, at 9:00 a.m. Pacific.