

# 2025 PNW Budget Frequently Asked Questions

Special Session - December 5, 2024

*More information on the budget and how apportionments are calculated can be found in the Funding Ministry and Mission booklet on the conference website.*

<https://www.pnwumc.org/wp-content/uploads/2024/03/missionandministry2024.pdf>

## **How much is the 2025 Annual Conference Budget, and how does it compare to previous years?**

The overall budget request for 2025 is \$4.4 million, which is the same as in 2024. Despite inflation, our budget has decreased significantly over the last 15 years from its peak of \$6.1 million. We have worked hard to align our budget requests with the changing realities of our shared United Methodist footprint in the PNW, with sensitivity to fluctuations in the capacity of local churches.

## **Are we paying 100% of what is asked of us to the General Church? Why are the General Church apportionment allocations in the budget different from previous years?**

It has been our practice to pay 100% of the latest General Church and Jurisdictional asking. The numbers in this year's proposed budget reflect that value.



At the General Conference in May 2024, a new quadrennial budget was passed that shifted the allocations for many of the General Church Boards and Agencies. The Connectional Table and the General Council of Finance and Administration recommended these changes, which the General Conference approved. The actions of the General Conference explain the changes in this area from the previous budget.

## **Under GNW Episcopal Office is \$35,000, is this space use and utilities? Do all three conferences have an episcopal office?**

The Episcopal Office is a shared expense that is divided among the three conferences using a ratio that represents each conference's relative size. These funds supplement a grant from the episcopal fund to support the work of the episcopal office, including the salary of the episcopal secretary, office supplies, travel expenses, etc.

## **Are the funds under Ethnic Ministries available as grant money?**

The Commission on Ethnic Ministries has agency over these funds, which have been used for grants and programming to support ethnic ministries and ministers within the conference.

**Under GNW Equity Vitality/Cong. Dev, what explains the changes on these lines?**

With Kristina Gonzalez's coming retirement, the budget was shifted to a non-salary line item for greater flexibility so contractors or consultants could be engaged. The overall budget for this work has not changed significantly. It has been split differently between the two line items in a new ratio. These expenses are also shared across the three conferences using a ratio that represents each conference's relative size.

**Under District Service Center, how many staff are included?**

The District Service Center staffing is 2.5 Full-Time Equivalents. There are two district administrators who directly support the District Superintendents and their local churches and clergy. The ½ time position is combined with the work of the Board of Ordained Ministry and its District Committees to support clergy candidates through the entire process as a full-time position. The board supports this work from the earnings of an endowment they created many years ago.

**The cost for District Superintendents covers which staff? And where is the housing endowment from?**

The line item for District Superintendents (DSs) pays for 5½ staff positions that support the superintendency role. We currently have four DSs, one Transitional Ministry Developer, and a half-time Connectional Ministries Coordinator for the Seven Rivers and Inland Districts. These positions fulfill the superintendency requirements of *The Book of Discipline*.

The housing endowment was created from the proceeds of the sale of district parsonages over the past several decades. Those funds are invested, and the earnings are used to pay the housing allowances for the DSs.

**For the Office of Connectional Ministry (OCM), how many staff are covered within the requested salary amount?**

The Office of Connectional Ministries includes the work of Ethnic/Hispanic Ministries, Communications, Camp and Retreat, Disaster Response, Circle of Indigenous Ministries, Board of Laity, Board of Discipleship, Ministry with Young People, Climate Care, and other programmatic areas. The OCM currently has 5½ staff members on the payroll.

**Under Office of Connectional Ministries, what is the program line used for?**

This is a discretionary fund for emerging programmatic opportunities that are not currently known.

### **Under Annual Conference Session, what does the \$85,000 cover?**

This amount helps to cover expenses such as the meeting space, AV and technical equipment, worship, speaker costs, production costs, overtime, meals and travel for non-exempt staff. As we have returned to in-person conferencing, these expenses returned to pre-pandemic levels, though we continue to explore cost-saving measures.

### **Regarding Board of Higher Education and Ministry, what is expected for those dollars? How many campus ministries are we funding?**

These funds help support campus ministries on three campuses and provide programmatic money for resourcing across the conference. This board has been diligent in scaling its budget to meet the requests of active campus ministries while being mindful of diminishing connectional dollars.

### **Why is the Board of Ordained Ministry supplemented so much by an endowment and not the budget?**

The Board of Ordained Ministry is blessed to have a significant endowment in addition to the Ministerial Education Funds it is apportioned. This endowment was created decades ago to support the board's work and now helps to lessen the impact on local church budgets.

### **What other funds do the Conference Trustees have access to? What are they expected to do with 10,000 a year?**

The Trustees are the legal entity for the Annual Conference. Their work includes insurance and risk, legal, and some responsibility for all conference property. These include the conference center, the episcopal residence, a district parsonage, closed church properties, and all local churches (indirectly). The Trustees pay for operating and maintenance costs for these properties, as well as holding costs, legal, sales costs, etc.

The nominal ask of the apportioned budget is primarily for legal and operating expenses and is supplemented by funds from the sale of church properties. Closed church proceeds also fund the Board of Congregational Development and its redevelopment/development projects.

### **Under local ministry funds in the district service center, what are these funds for? It says AC young people--but what has happened with them in recent years?**

Each District Superintendent has access to about \$6,000 a year, which has been used for the purposes mentioned: equalizing members of AC, financially supporting youth and young adult representatives to annual conference, district programs, clergy day apart/recognitions, etc.

**What is the point of a \$50 line item for the Council on Finance and Administration (CF&A)? Is it just a placeholder going forward so that line isn't lost? If so, then what funds does CF&A have, and what are they used for?**

This line item is for meeting expenses. CF&A does not have any funds of its own but is responsible for overseeing all monies that pass through the conference office. They have an annual audit done for the conference (separate line in the Treasurer's budget) for all areas of ministry.

**Leadership development lists "funds available if needed". Where would these funds come from, and how much is available? What is the process for accessing them?**

This line item is a discretionary line for the cabinet for specific leadership development training or programs that would not fall within the guidelines for MEF funds available to the clergy. There is an accumulated surplus of \$45K presently available so no ask is made of the local churches in this budget.

**What is the healing care fund?**

This fund supports local churches should a pastoral leader boundaries-related issue befall them. The current balance is just over \$9K, which would need to be supplemented with other resources if such an event might occur again.

**Unpaid apportionments: How are we improving this number/participation? What percentage of churches paid what % in 2021, 2022, and 2023?**

The conference treasurer and the cabinet work diligently on this each year. Most of our churches are extremely faithful in their shared ministry payments, but some have exigent circumstances that prevent them from meeting 100% of their goal in a given year. Others do not participate fully for reasons of their own. For years now, we have consistently received in the low 90% range (up dramatically from 74% in the early 2000s).

We included this estimated payout line for budgeting purposes of our boards and agencies so they know what they will receive for the year. Our connectional system depends on every effort being made to pay 100% of the budget that is passed by the members of the annual conference.

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