



Denominational Circumstances

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Denominational Base is Shrinking

- Prior to COVID-19 and disaffiliations, worship attendance was rapidly declining at an increasing rate. Worship attendance in 2019 declined by 4% from 2018 and was 24% lower than 2009.
- Impact of disaffiliations expected to be 20%+. Latest annual conference survey in July 2022 projected 21.3%.
- Combined these factors will significantly impact the both the local church and annual conferences.

Denomination Circumstances - Conference Survey

Cumulative Impact of Disaffiliation on Local Church Net Expenditures by Year				
Jurisdiction	2022	2023	2024	2025
North Central	4.8%	11.7%	16.4%	18.0%
Northeastern	2.8%	8.2%	11.9%	14.9%
South Central	6.1%	15.5%	23.2%	25.6%
Western	4.0%	7.6%	10.3%	12.1%
Southeastern	5.9%	15.1%	21.1%	24.3%
Total	5.2%	13.1%	18.7%	21.3%

Source: Annual Conference Survey July 2022

Denomination Circumstances - Conference Survey

	Disaffiliation Impact on Local Church Net Expenditures		
	2022 Survey	2022 Actual	Survey Total
North Central	4.8%	3.5%	18.0%
Northeastern	2.8%	0.2%	14.9%
South Central	6.1%	16.3%	25.6%
Western	4.0%	0.6%	12.1%
Southeastern	5.9%	6.8%	24.3%
Total	5.2%	7.0%	21.3%

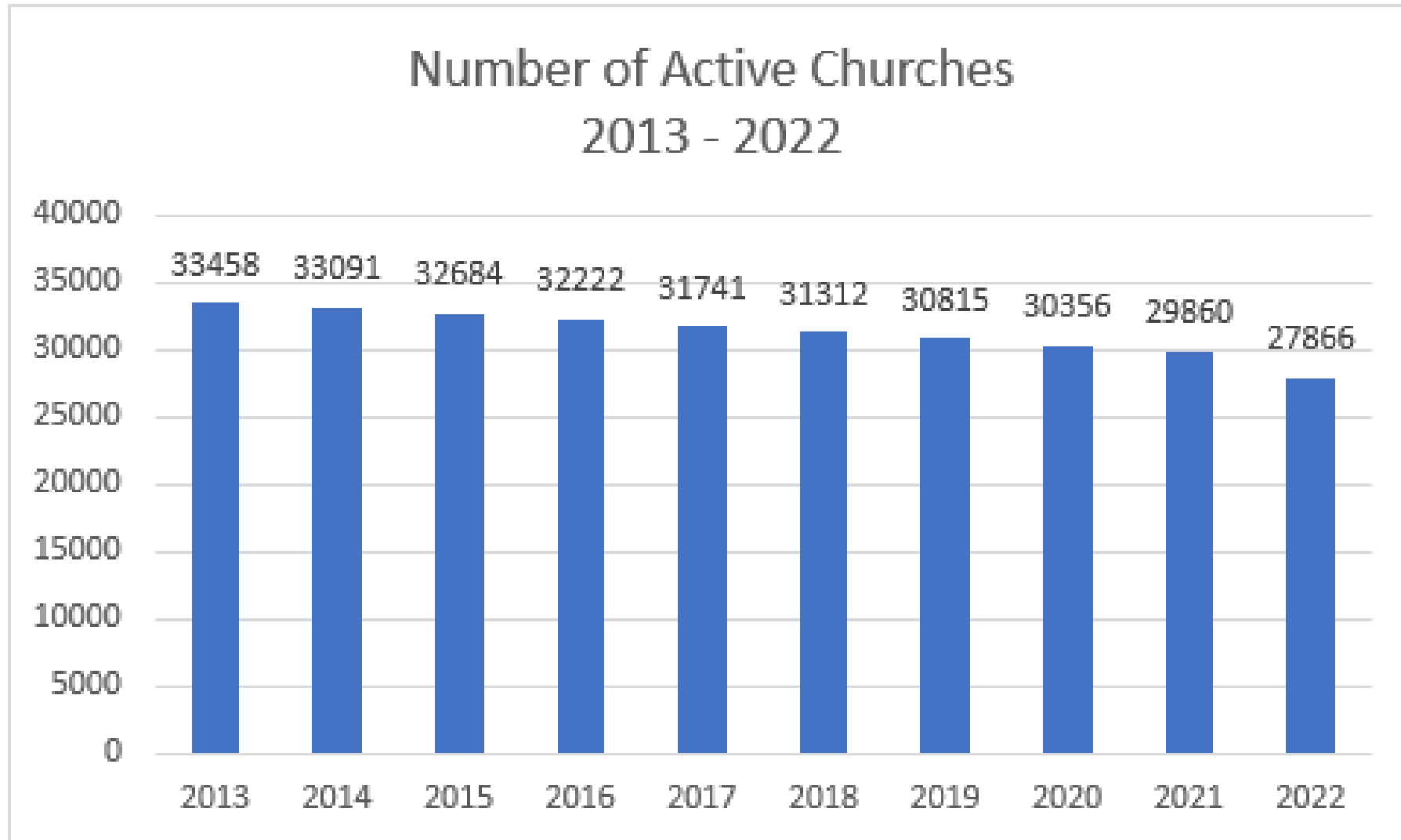
Actual impact in 2022 was greater than predicted by the survey and is approximately 1/3 of the estimated total over a 4 year period.

Denomination Circumstances – Church Closures

Church Closures by Year, Reason

Year	Abandoned	Disaffiliation	Discontinued	Financial	Merger	No longer Ecumenical Shared Ministry
2019	3	23	441	17	9	
2020	6	66	309	38	35	1
2021	12	126	250	54	49	
2022	9	1739	175	22	35	1
2023		6		2		
Grand Total	30	1960	1175	133	128	2

Denomination Circumstances – Church Closures



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Recommendation: Apportionment Sustainability Taskforce

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:

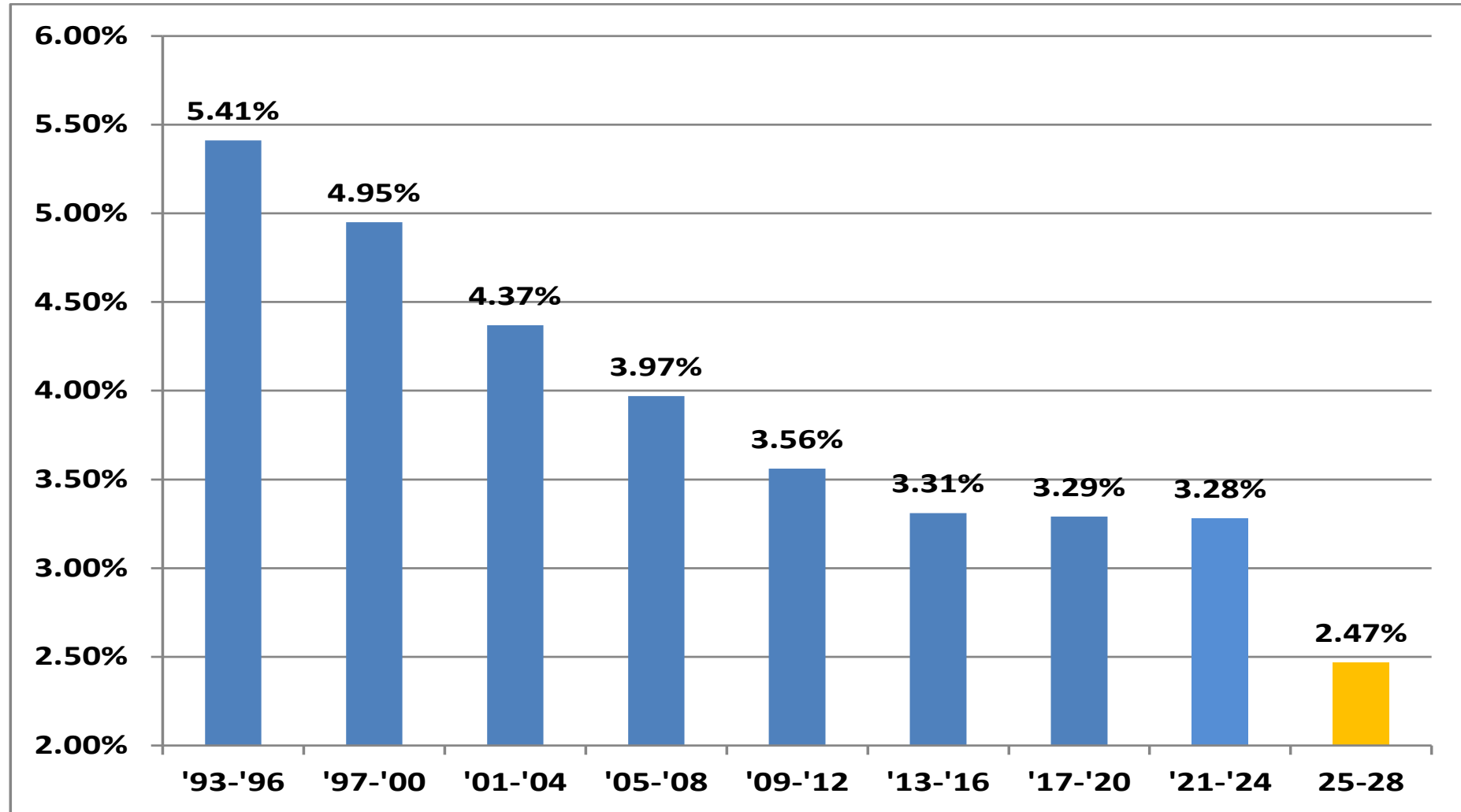
- Causes us to imagine and dream about what the church of the 21st century is all about.
- Creates a more flexible and nimble system and ushers in a new paradigm.
- Recalibrates the connection and encourages collaboration at the general Church level.

Denomination Circumstances

Rate of Apportionments is sharply declining

- GCFA board recommends to reduce the Base Percentage by 25% for the 2025-2028 quadrennium.
 - (This is the percentage rate applied against local church net expenditures to calculate general Church apportionments.)

Base Percentage Trend & Recommendation for 2025-2028



GCFA Board approved recommendation to reduce the Base Percentage by 25% in 2025-2028

Denomination Circumstances

Overall General Church Apportionments declining by 40%

- Shrinking Denomination
- Reduction of Base Percentage

Quadrennial Budget Allocation From GCFA in Nov. 2022

Agency / Fund	2025	2026	2027	2028	2025-2028	2017-2020	% Change from 2017-2020
World Service Fixed Charges	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ 4,200,000	\$ 7,372,537	-43.0%
Interdenom. Cooper. Fixed Charges	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 60,000	\$ 204,600	-70.7%
General Administration Fund	\$ 6,490,000	\$ 6,490,000	\$ 6,490,000	\$ 6,490,000	\$ 25,960,000	\$ 36,896,453	-29.6%
Episcopal Fund	\$ 18,403,867	\$ 18,403,867	\$ 18,403,867	\$ 18,403,867	\$ 73,615,468	\$ 92,019,335	-20.0%
Total Other Funds & Agencies	\$ 75,202,205	\$ 68,035,497	\$ 63,969,593	\$ 62,646,588	\$269,853,884	\$ 467,541,066	-42.3%
Total All Apportionments	\$101,161,072	\$ 93,994,364	\$ 89,928,460	\$ 88,605,455	\$373,689,352	\$ 604,033,991	-38.1%

Quadrennial Budget Allocation – CT Recommendations

Fund	2017-2020	2025-2028	% Change
World Service	\$ 310,728,409	\$ 180,758,778	-41.8%
Ministerial Education	104,949,647	\$ 61,051,932	-41.8%
Black College	41,863,455	\$ 24,353,058	-41.8%
Africa University	9,368,872	\$ 5,450,116	-41.8%
Episcopal	92,019,335	\$ 73,615,468	-20.0%
General Administration	36,896,453	\$ 25,960,000	-29.6%
Interdenominational Cooperation	8,207,820	\$ 2,500,000	-69.5%
Total	\$ 604,033,991	\$ 373,689,352	-38.1%

Quadrennial Budget Allocation – World Service Fund

Agency / Fund	2017-2020	2025-2028	\$ Change	% Change
Fixed Charges				
UMCOM - Interpretation Resources	\$ 1,432,197	\$ 850,078	\$ (582,119)	-40.6%
Connectional Table	2,140,350	2,140,350	-	0.0%
GCFA	7,372,537	4,200,000	(3,172,537)	-43.0%
National Ethnic Plans (1)	11,193,357	11,193,357	-	0.0%
GCORR (1)	7,354,467	7,354,467	-	0.0%
Core Action Plan (GCORR) (1)	2,488,777	2,488,777	-	-
COSROW (1)	3,957,518	3,957,518	-	0.0%
Total Fixed Charges	\$ 35,939,203	\$ 32,184,547	\$ (3,754,656)	-10.4%
On-Ratio:				
Church & Society	\$ 11,021,677	\$ 6,113,937	\$ (4,907,740)	-44.5%
Discipleship Ministries	34,952,169	19,388,642	(15,563,527)	-44.5%
Global Ministries	111,338,501	61,761,612	(49,576,889)	-44.5%
GBHEM	26,932,588	14,940,025	(11,992,563)	-44.5%
Central Conf. Theological Ed. Fund	10,000,000	5,547,193	(4,452,807)	-44.5%
Young Clergy Initiative	6,952,413	-	(6,952,413)	-100.0%
United Methodist Men	1,476,974	819,306	(657,668)	-44.5%
United Methodist Communications	71,651,059	39,746,223	(31,904,836)	-44.5%
Contingency Reserve	463,825	257,293	(206,532)	-44.5%
Total On-Ratio	\$ 274,789,206	\$ 148,574,231	\$ (126,214,975)	-45.9%
Total World Service Fund	\$ 310,728,409	\$ 180,758,778	\$ (129,969,631)	-41.8%

(1) CT request to move these from "on-ratio" to "fixed charges"