

NARRATIVE SUMMARY OF THE 2018 CONFERENCE BUDGET

BUDGET ASSUMPTIONS

Benevolence Factor – 2018: 17.725%

The benevolence factor is the percentage churches are apportioned based on their operating expenditures less exclusions. The percentage for 2018 is .025% less than the percentage used in 2017 (17.75%).

Apportionment Collection Rate - 2018: 92.0%

The projected collection of the amount apportioned to churches in the 2018 Budget is 92.0%. There is no change from the 2017 budget.

REVENUE

Apportionments: \$14,260,361

A church's share of the local and global mission work and operating expenses of the Annual Conference as determined by the apportionment formula.

Grants: \$92,850

This represents grants given directly to the conference for ministry and mission. For example, General Church grants to operate the Episcopal Office and residence.

Event Registration: \$2,150,163

This includes Annual Conference registration, workshop registrations, Camping and Retreat Ministry registrations (majority of line item) and other conference events.

Publications: \$4,100

This includes sales or rentals of publications, DVDs, paid UMConnection subscriptions, and other materials.

Individual Gifts:

Gifts coming from individuals for specific programs. These are for the conference, specifically, rather than for ministries outside of the conference. No such gifts are anticipated in 2018.

Reimbursements: \$99,783

The conference receives reimbursements from denominational agencies for specific operating programs. The Mission Center tenant leases are also captured in this revenue category.

Other Income/Sources of Funds: \$1,826,879

Miscellaneous income or sources of funds, such as the use of funds held from previous years and funding from agency reserve funds. For example, Retiree Medical expenses (majority of line item) are 100% paid from the Board of Pension Reserves.

Interest: \$30,000

An estimate of the interest the conference will earn on operating funds in investment vehicles.

TOTAL OPERATING REVENUE: \$ 18,464,136

EXPENSES

I. DISCIPLESHIP EXPENSES

Regional Ministry Teams: \$2,463,603

Funds to operate the ministries and administrative support of the Regions. The Regional Teams include:

- a. Southern Region (Annapolis and Washington East Districts)*
- b. Baltimore Region (Baltimore Metro and Baltimore Suburban Districts)*
- c. Washington Region (Greater Washington and Central Maryland Districts)*
- d. Western Region (Frederick and Cumberland-Hagerstown Districts)*

Discipleship Ministry Teams

Connectional Ministries: \$3,073,908

Funds to operate the ministries and administrative aspects of the Connectional Ministries and Congregation/Leadership Development Teams. Ministries funded by Connectional Ministries include Children, Youth, Young Adults, Campus Ministries, and Retreat and Camping ministries. Funds are also allocated for Discipleship Council and Connectional Table.

- a. *Youth Ministries engage and support young disciples of Jesus Christ.*
- b. *Retreat and Camping Ministries provide opportunities for spiritual growth and formation for children and adults.*
- c. *Campus Ministries support staffing and programs on four area college campuses.*
- d. *Ministries funded by Congregation and Leadership Development include a focus on church growth and church leaders.*

Focus on Missions & Advocacy

a. **Conference Mission and Social Justice Programs: \$526,596**

Through Grants to specific Social Justice Ministries such as Quality of Life Retreats, Appalachian Development, and UM Community Services the conference seeks to grow mission and ministry. This ministry area also includes funds for our advocacy partnership ministries in other conferences, such as Zimbabwe, South Korea, Latin America, and Eurasia. Funds are also devoted to the Hope for the City Initiative, Deaf Ministries, and Justice for Our Neighbors.

b. **General and Jurisdictional Apportionments: \$3,571,610**

The funds that the General Church and Northeast Jurisdiction request for ministry and programs from each conference. The conference celebrates its track record of paying 100% of these apportionments since 1998. General Church funds include:

World Service

To help our denomination to strengthen its evangelism efforts, stimulate church growth, expand Bible studies and enrich spiritual commitment. This fund allows us to share in a worldwide ministry, including support for missionaries.

Interdenominational Cooperation

This fund allows United Methodists to have an effective presence in the activities of ecumenical organizations.

Africa University

This fund supports the further development of the first private university for men and women in Africa.

Black College Fund

This fund represents the denomination's support of the operation and capital funding of historically black colleges and medical schools.

Ministerial Education Fund

This fund provides our church support for the recruitment and education of future pastors and bishops.

Episcopal Fund

This fund pays the salaries and benefits of active bishops in the denomination and supports retired bishops.

General Administration

This fund supports administrative areas of the church, such as the General Council on Finance and Administration, the General Conference session, and Archives and History.

Jurisdictional Administration

This fund supports mission and ministry throughout the Northeastern Jurisdiction.

Congregation & Leadership Development: \$0

Funds to operate Congregation and Leadership Development (CLD) Team can be found in Connectional Ministries.

Focus on Church Growth: \$1,190,651

- a. *Grants to local churches and ministries to grow congregations and expand ministry in the community.*
- b. *Start new churches*
- c. *Latino/Hispanic Ministries*
- d. *Strengthening the Black Church*
- e. *Older Adult Ministry*

Focus on Leaders: \$294,058

- a. *The Discipleship Academy – Learning opportunities and training for all congregations with a focus to develop current and future leaders within the church.*
- b. *Discipleship Boards and Agencies – Includes funds for Board of Ordained Ministry and Ministerial Education Fund.*

Total Discipleship Ministry Teams: \$8,656,823

TOTAL DISCIPLESHIP EXPENSES: \$11,120,426

II. STEWARDSHIP EXPENSES

Communications: \$655,114

The publications produced by this area are tools for implementing the ministries of the Conference, such as the UMConnection newspaper, the Web site and e-connection.

Operations: \$3,702,539

This area is responsible for overall operations of the conference including all conference infrastructures, facilities, IT, conference owned property, and relates to the Trustees and CFA.

Property Ministries

The Conference Trustees oversee all property owned by the conference, to include the Conference Mission Center, three Retreat and Camping facilities, the Episcopal Residence and the leased offices in Hagerstown and on Capitol Hill.

Archives and History

The conference provides support for the preservation of our United Methodist Heritage.

Conference Chancellor

Provides legal resources to the Trustees and other conference leadership.

Annual Conference – Commission on Sessions

The commission prepares all aspects of the annual conference session including program and logistics.

Finance: \$532,377

This area is responsible for maintaining and administering comprehensive fiscal and administrative policies and services. The office of the treasurer provides support and information for clergy and laity in the local churches.

HR/Benefits Administration: \$2,036,162

This office administers all active and retired benefit plans for clergy and laity. They also provide personnel and HR support for Conference staff.

TOTAL STEWARDSHIP EXPENSES: \$6,926,192

Episcopal Leadership Ministry: \$417,518

Ministries that lead our mission and develop the leadership to lead congregations, ministries and staff.

TOTAL OPERATING EXPENSES: \$18,464,136

OPERATING NET: \$0