



Baltimore-Washington Conference
The United Methodist Church

Council on Finance & Administration

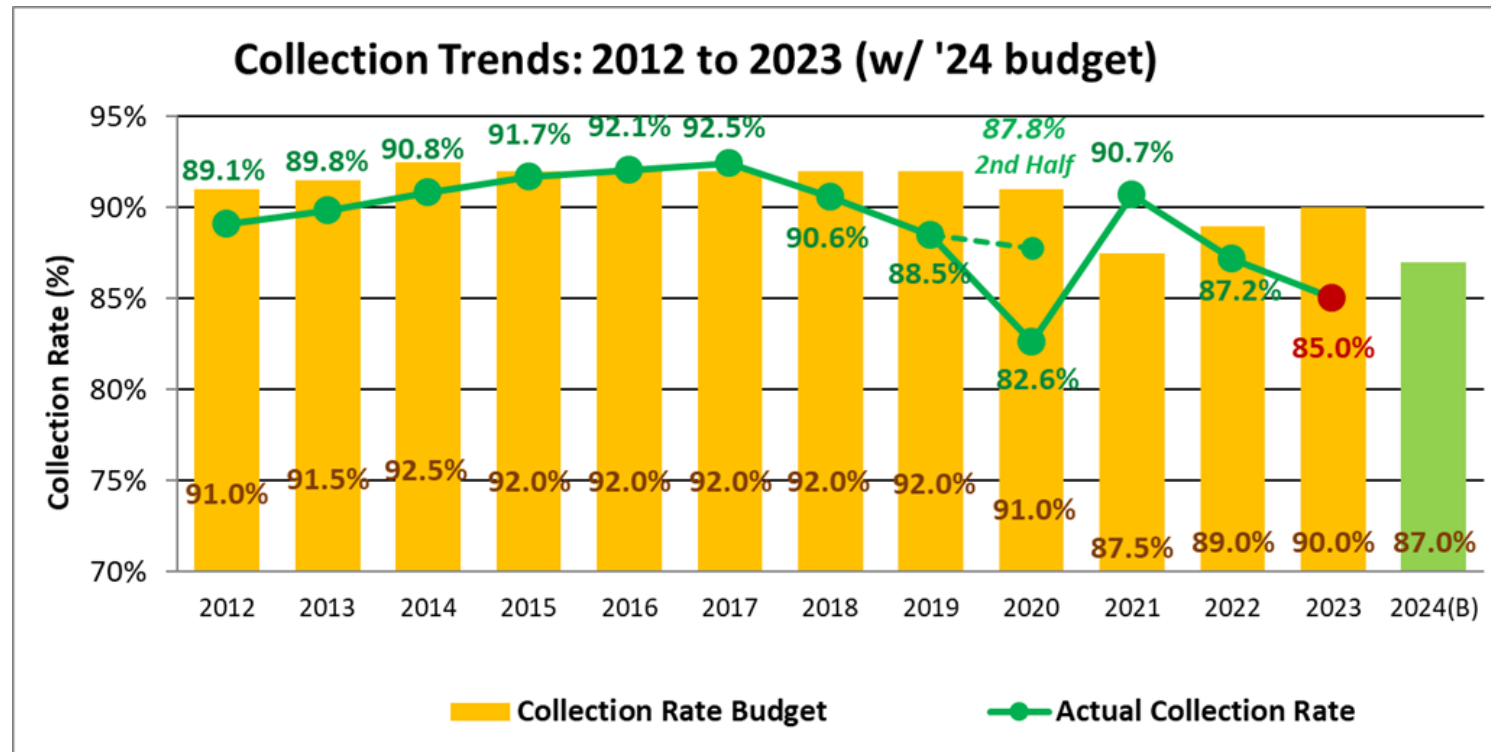
Rev. Daryl Williams, President

**2024 Connectional Table
Report**

Agenda

- 2023 Year End Performance Summary
- 2025 Budget Overview
- CFA Recommendations to Annual Conference

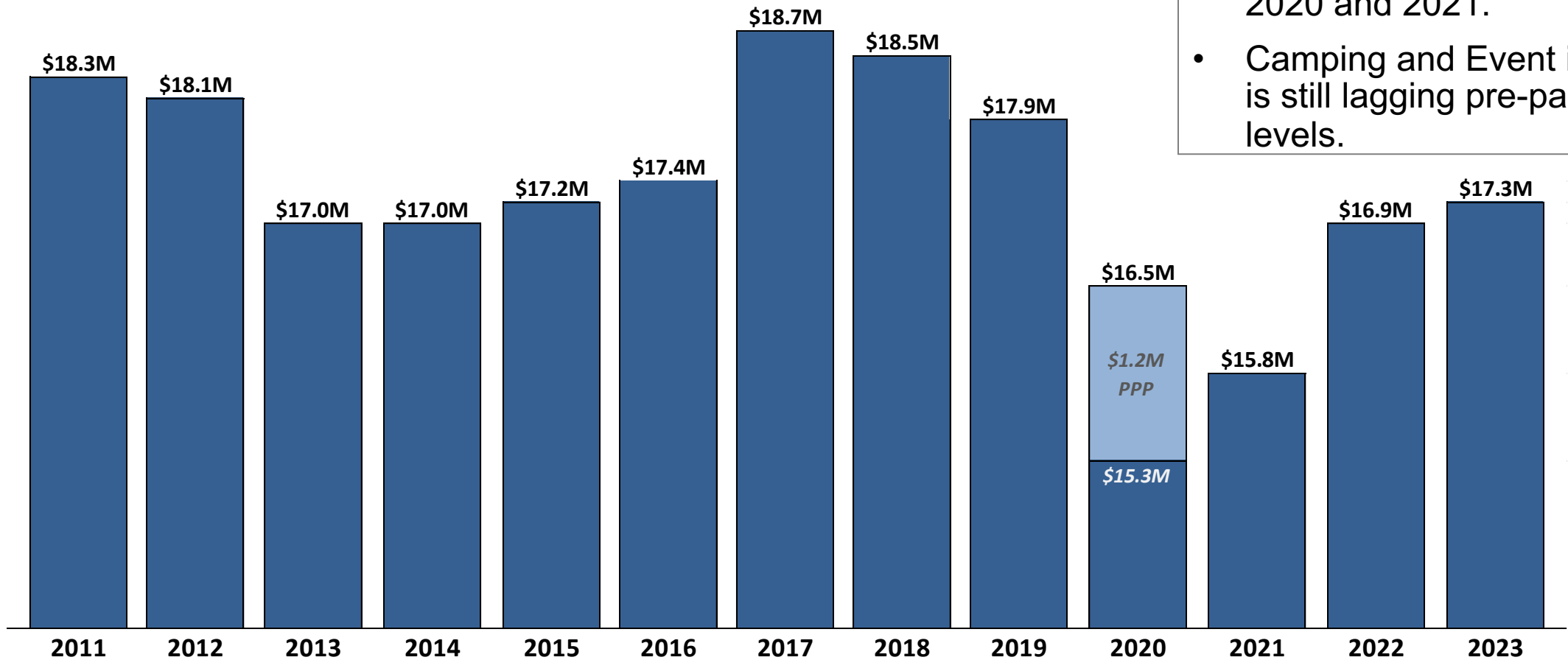
BWC Collection Rate Trends



- The 2023 collection rate was 85.0%.
- Adjusted for disaffiliating churches, the collection rate exceeded 87%.
- The 2025 budget is based on a collection rate of 87%.

2023 Total Income = \$17.3M

Total Income

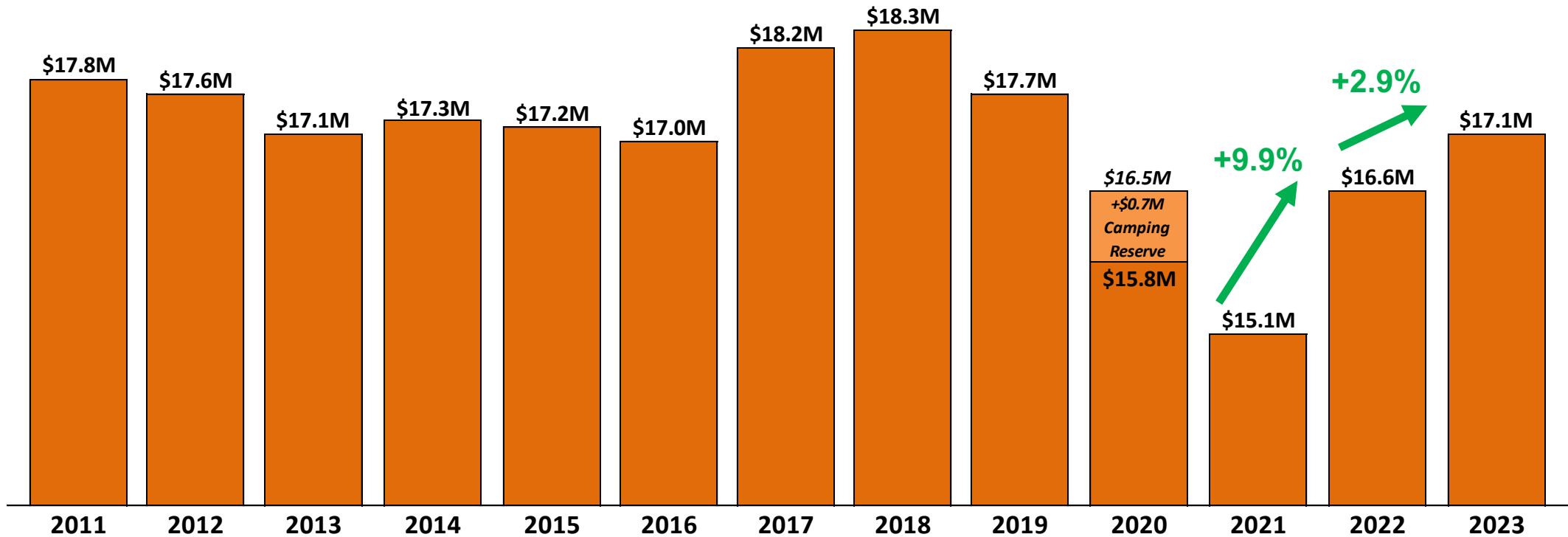


- Total income continued to show some recovery from the pandemic declines in 2020 and 2021.
- Camping and Event income is still lagging pre-pandemic levels.

2023 Total Expenses = \$17.1M

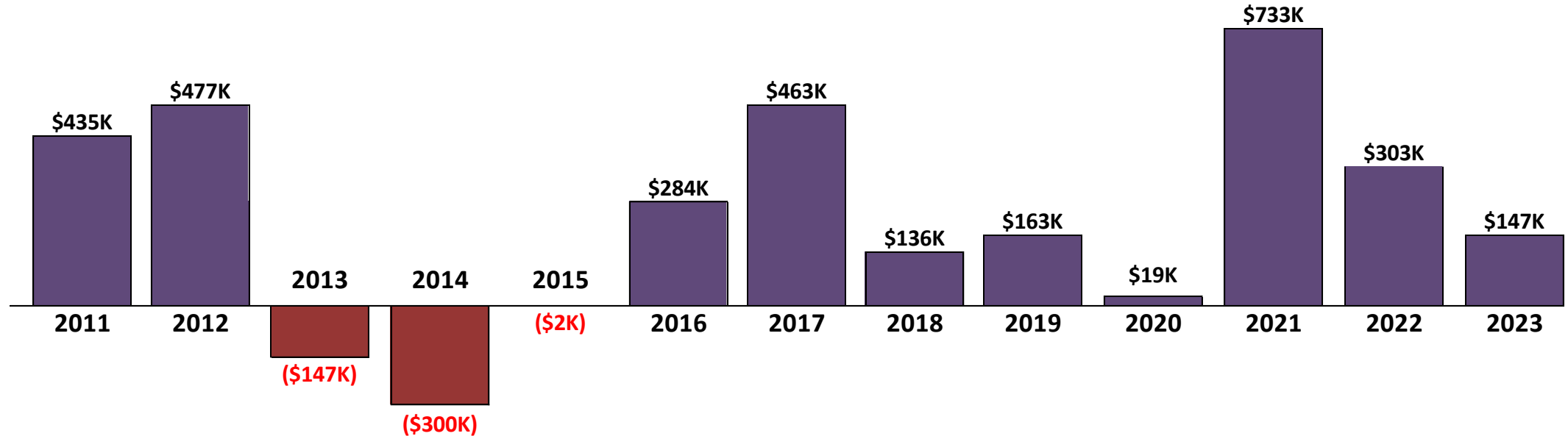
- 2023 total expenses increased by \$480K (+2.9%) as a controlled addition of post-pandemic expenses is not exceeding the income growth.
- Total expenses are still 3.4% less than the pre-pandemic levels.

Total Expenses



2023 Total Net Income = \$147K

Net Income



Components of the 2023 YE Results:

- Mission Shares **LESS** than budget **(\$ 698,000) (5.6%)**
 - Other Income **LESS** than budget **(\$ 260,000)**
 - Expenses **LESS** than budget **+\$ 1,105,000 +6.1%**
- TOTAL + \$ 147,000 +1.7%**

2025 Budget Proposal

Comparison of Mission Share Calculations

<u>Budget Comparisons</u>	<u>Statistical Mission Share Base</u>	X	<u>Budget Benevolence Factor</u>	X	<u>Budget Collection Rate</u>	=	<u>Budget Mission Share Income</u>
2024 Approved Budget	\$ 82.8M	X	17.450%	X	87.0%	=	\$ 12.6M
2025 Proposed Budget	\$ 80.7M	X	17.400%	X	87.0%	=	\$ 12.2M

<u>Mission Share Base Trends</u>	
2023	\$80.7M
2022	\$82.8M
2021	\$79.1M
2020	\$83.9M
2019	\$84.9M
2018	\$87.7M
2017	\$88.3M
2016	\$87.4M
2015	\$87.1M
2014	\$87.8M

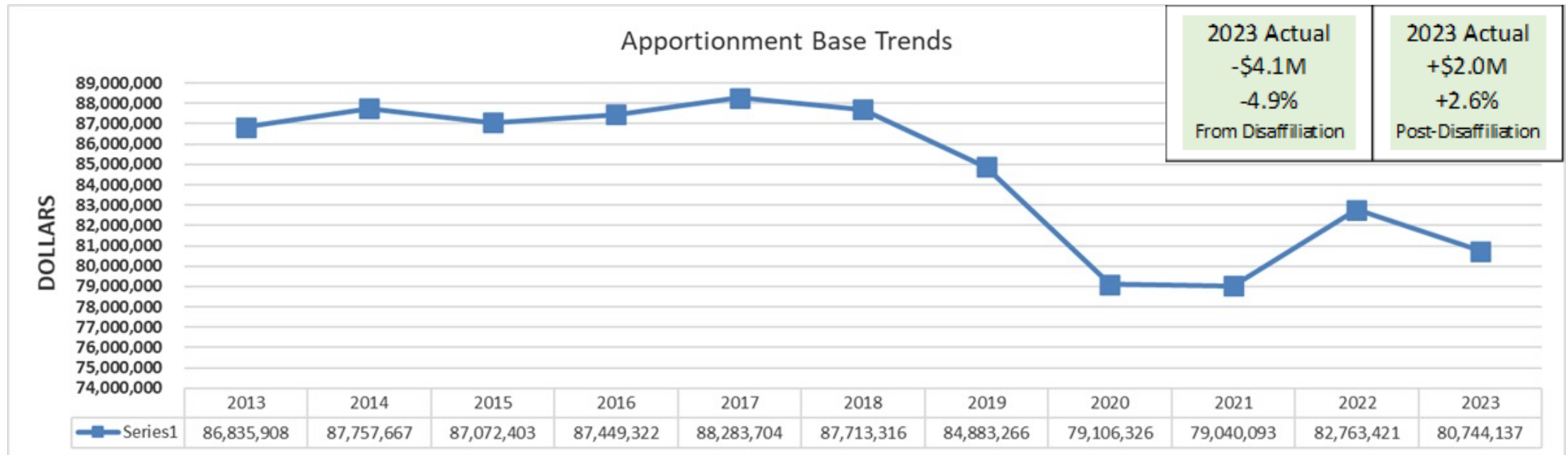
<u>Local Church Example</u>			
<u>Local Church Mission Share Base</u>	X		<u>Local Church Mission Share</u>
\$ 114,943	X	17.400%	= \$ 20,000

Reference: Mission Share Base Calculation

Includes: Pastor's Compensation and Housing Allowance
 Pastor's Reimbursements
 Church Staff and Benefits
 Church Program
 Church Operating Expenses

Does Not Include:
 Pastor's Pension and Benefits
 Mission Giving
 Capital Expenditures

Mission Share Base Trends

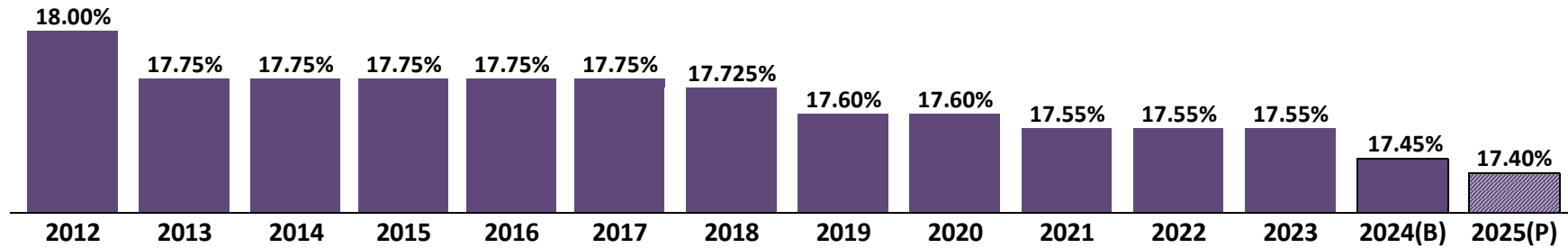


- Disaffiliation reduced the base by 4.9%. Continuing churches increased by 2.6%. Overall, the base declined by 2.4%.
- Local Churches reported the following increases in 2023 expenses:

<i>Operating Expenses</i>	<i>+ 5%</i>
<i>Other Staff Compensation</i>	<i>- 1%</i>
<i>Pastor Compensation</i>	<i>+ 1% (0% salary; + 4% housing)</i>

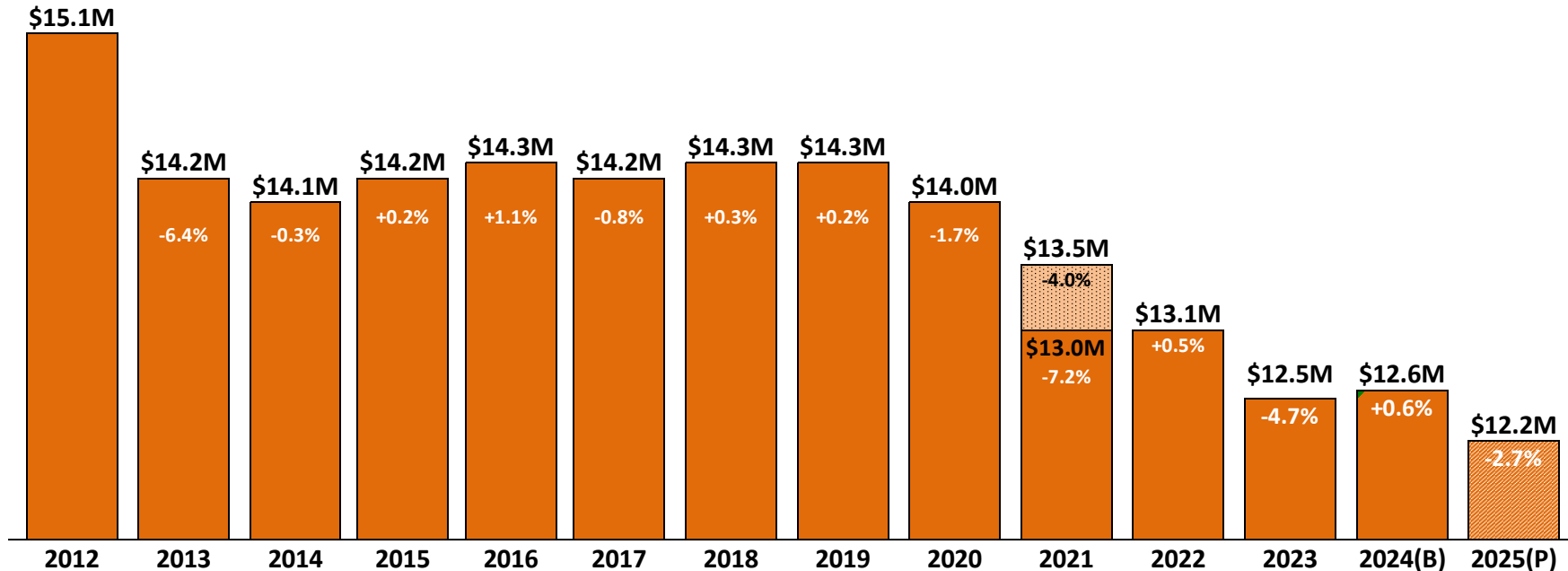
2024 Mission Share Income

Benevolence Factor



- The Benevolence Factor will be reduced to 17.40%.

Mission Share Income



- The mission share income will be reduced to \$12.2M.

2025 Budget Proposal

	<u>2024(B)</u>	<u>% Budget</u>	<u>2025(P)</u>	<u>% Budget</u>	<u>Change</u>
<u>Income:</u>					
Mission Shares	\$ 12,565K	69%	\$ 12,223K	67%	(342K)
Other Income	5,542K	31%	6,058K	33%	+516K
TOTAL INCOME	\$ 18,107K	100%	\$ 18,281K	100%	+174K
<u>Expenses:</u>					
Regions/Ministry Teams	11,261K	62%	10,984K	60%	(277K)
Stewardship/Episcopal	6,846K	38%	7,297K	40%	+451K
TOTAL EXPENSE	\$ 18,107K	100%	\$ 18,281K	100%	+174K
NET INCOME	0K		0K		

- The \$559K General Church apportionment reduction is reflected in the mission share income and ministry teams expenses.
- Income from non-mission share sources fund 33% of the budget.
- A position was moved from the ministry teams to stewardship.
- The stewardship area increased retiree medical expenses by \$220K and this is funded from reserves.

2025 Budget Highlights

- The Mission Share Income of \$12.2M is in alignment with the long-term glidepath to a \$12M budget in 2026-2027.
- General Church Apportionments are being reduced by 19% based on the 2024 General Conference proposed budget. This is a reduction of \$558,626 from \$3.0M to \$2.4M.
- Continue to introduce Trustee funds from the sale of closed churches to support \$658K of the \$1.1M Unified Funding Local Church Grants.
- The Youth ROCK Event is scheduled for March 2025.
- Staff Salary and Benefits are proposed to increase by 3%.

CFA Recommendations

1. Proposed 2025 budget = \$18,281,537
2. Proposed 2025 Benevolence Factor = 17.40%
3. Combined Apportionment Budget Ratio Statement:
 - 33% World Service
 - 67% Conference and General Church Benevolences
4. Independent Auditors for 2024 - Ellin & Tucker
5. Close 2024 books on January 14, 2025
6. Grant authority to CFA, in consultation with the Bishop, Cabinet, and the Discipleship Council, to act on financial matters between sessions of the Annual Conference



Baltimore-Washington Conference
The United Methodist Church

Commission on Equitable Compensation

Greg Kernan, Chair

2024
Recommendations

Commission on Equitable Compensation

Recommendations:

The Commission on Equitable Compensation is recommending that the base salary for the 2025 Clergy Salary Table be increased 2.0%, or \$998, which will make the base salary \$50,908.

The Commission is also proposing an increase in the recommended housing allowance of 2.0% or \$441, which will make the recommended housing allowance \$22,477.



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Conference Board of Pensions

Rev. Cary James, Jr., Chair

2024
Recommendations

Summary of Recommendations

1. Retiree health benefits will continue to be provided.
[Via Benefits over 65, HealthFlex under 65]
2. Continue Pre-82 surviving spouse benefit at 85% of participant level
3. Pre-1982 Past Service Rate set at \$874 for 2025 (4.0% increase)
4. Comprehensive Funding Plan per the following slide
5. IRS Required Resolution on Retiree Housing Allowance

Comprehensive Funding Plan

- Wespath collects the assets, liabilities, and funding plans for all Conference benefit plans annually.
- Must be approved by the Annual Conference
- Printed in the CBOPHB Recommendations

<u>Pensions</u>	<u>Funding Ratio</u>
Pre-1982	128%
Ministerial Pension Plan (MPP)	130%
Clergy Retirement Security Program (CRSP)	124%
<u>Retiree Medical</u>	168%

The funding ratio was 106% in 12/31/2021



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Thank You