

ANSWERS TO FREQUENTLY ASKED QUESTIONS ABOUT TABLES I, II, III 2017-2020

Some people find preparing Tables I, II, and III difficult. Here, we have tried to answer frequently asked questions, include some additional explanation of the Table questions, and add a bit of humor.

General Information

- Tables are due in the conference office by February 1 each year. Tables may be entered directly on the Ezra website (many thanks to the churches who do this!), e-mailed to barbara.brower@minnesotaumc.org, or mailed to the conference office (Minnesota Annual Conference of the United Methodist Church, 122 West Franklin Avenue, Suite 400, Minneapolis, MN 55404, and mark them Attn: Tables). If you e-mail Tables, Barb will send a reply that she has received them. *If you do not get a reply, then the Tables did not get to her!* There have been e-mails that have disappeared into the ether. Please contact Barb at 612-230-6135 and make sure the Tables get through.
- If you do not enter the Tables into the [Ezra website](#), then conference staff needs to do so. If you have forgotten your login information, Barb can help you. Ezra can also e-mail the password to the e-mail address listed with the contact information. If the church has changed e-mail addresses or this is an individual's personal e-mail address, then your password will disappear into the ether. Contact Barb to get your e-mail address changed.
- The Table data is used for the estimated apportionment calculations handed out at annual conference. GCFA needs preliminary Table data by mid March. We need **your** Tables to do this! As fate would have it, the Table information is also used for the final apportionment calculations. If your data is wrong, guess what happens to your apportionments!
- It is the **pastor's** responsibility to make sure these Tables are completed. This does not necessarily mean that the *pastor* completes the Tables, only that the pastor makes sure *someone* completes the Tables, makes copies for the church to keep, and gets a copy sent in. Frequently it is the membership secretary who fills in Table I and the treasurer who fills in Tables II & III. However, the *pastor* and either the treasurer or finance chair should look at the Tables, verifying that the figures are reasonable.
- The **GCFA (General Council on Finance and Administration) number** is the six-digit church number found on the church statements and apportionment calculations. It is also listed in the Journal with the statistical, financial, and income information. It generally starts with either 64 or 65.
- The Employer Identification Number (EIN, or Federal Tax ID Number) is used on the W-2 statements that the church sends to all employees. **This information is necessary** for GCFA to administer The United Methodist Church Group Tax Exemption Ruling and provide verification to potential donors of the church's tax-exempt status. It should be shown on the W-2 statements sent to paid staff. It should also be found in the church's safe deposit box. It was probably needed to open the church bank account, so the bank may also have the EIN. It is not found at the conference office (unless it came from the church first). This is the one piece of information that only needs to be on one Table.
- Please put the church information (including city, district, and GCFA number) on all three Tables! The first thing that is done is to separate the Tables by district and Table. If the church name, district, and GCFA number are only on one sheet, we must copy them to all the others. If the district and GCFA number are missing, we have to look it up and copy it to all the sheets. If this is a two- or

three-point charge and all the Tables are copied single-sided, the conference office gets to figure out which back goes to which front. Thank you for your assistance!

- PLEASE list the **church name and city**, especially if this is a two or three point charge. “United Methodist Church” narrows it down to one of about 360 churches, but does eliminate all the UCC and Presbyterian churches. “CUMC” only gives us about 36 choices and “First Church” narrows it down to about 20 churches. We need to know *which* church the information refers to. There are also multiple Grace, Faith, First, Zion, Trinity, Community, and Salem UMCs along with a couple Bethlehems, Good Samaritans (we need more of those), and Christs. (And you thought there was only one Christ!)
- **Filling in lines.** Please put a number on **every** line, even if it is 0. That way you do not accidentally omit a line.
- **Dollar amounts.** Please round to whole dollar amounts! Do not include cents. (Do include sense!)
- **Please** list amounts on **one and only one** line. We try not to double count or miss anything. For example, the pastor’s housing allowance should be listed under “Pastor’s housing allowance” and not included with “Pastor’s base compensation,” unless, of course, you *want* higher apportionments!
- **Please** check over the amounts on the Tables! Barb looks over the amounts included in the apportionment formula and notes oddities on the estimated calculations that are sent to the churches. She gets very suspicious when the pastor’s salary drops from \$10,000 to \$1,000 in one year or when staff salaries jump from \$9,000 to \$90,000.
- **Table II** should list **all** your **church net** expenses except monies sent to the conference office and listed on your monthly church statement (like apportionments, general church benevolences, and conference benevolences). **Table III** should list **all** your **church net** income. Please note the word “**net**” in both of these!
 - **Example 1:** Total expenses for Vacation Bible School are \$200. The church gets \$150 total in registration fees and donation from the UMW. The **net expense** for the church, listed on Table II, is \$50. No income is listed on Table III.
 - **Example 2:** The church has a pancake breakfast as a fundraiser. The event raises \$500 with \$100 in expenses. The **net income** for the church, listed on Table III, is \$400. No expenses are listed on Table II.
 - **Example 3:** A check for the UMW is put in the offering plate and deposited in the church account. The church writes a check to the UMW. This is not **church** income or expense.
 - **Example 4:** The church buys books for an adult Bible study and sells the books at cost to the participants. If the church buys 10 books at \$15 each and sells them all for \$15 each, then this is not **church** income or expense. If the church buys 10 books at \$15 each and sells 8 of them at \$15 each, then the **church expense** is \$30 (the cost of the two unsold books). If the church buys 10 books at \$15 each, sells all 10 for \$15 each, and pays the shipping costs of \$5, then the **church expense** is the \$5 shipping. If the church buys 10 books at \$15 each and sells all 10 for \$16 each, then the **church income** is \$10 (the extra money collected above the cost). If the church is in the business of buying and selling books, perhaps they should change their name.
 - **Example 5:** Your church holds a joint Vacation Bible School with a Presbyterian church and runs all the funds through the UM church account. Then not all of these expenses are expenses of **your** church. Some are attributable to the Presbyterian Church. Figure out a reasonable split. Also, some of the VBS attendance is attributable to the Presbyterian Church (Line 21). Ditto with mission trip funds, day care funds, etc.

- If the **church** *has control* of the funds, then the income and expenses should be included on Tables II and III. If the **church** *does not have control* of the funds, then the income and expenses should not be included on Tables II and III. Youth group funds are usually under the control of the church (youth leader). Memorial funds, capital campaign funds, endowments, and other funds in separate accounts are still under the control of the church. A separately incorporated foundation, day care, or other separately incorporated entity may have church members on the board, but the *church* does not have control of those funds.
 - **Example 1:** The UMW accounts for its funds separate from church funds. Although the UMW is made up of church members, I am willing to bet that the **church** does not have control of how the UMW funds are spent. Ditto for the UMM and a separately incorporated Foundation.
 - **Example 2:** The UMW has \$1,000 and gives \$100 to the church. The church has control of the \$100, so this should be included as part of the church's net income. The church has no control over the remaining \$900, so this is not listed anywhere on the *church's* Tables.
 - **Example 3:** That same UMW decides not to *give* the \$100 to the church, but to *pay* the electric bills *for* the church (which, by chance, happen to be \$100). The \$100 is still income to the church and an expense of the church. The UMW merely bypassed the middle man (or middle church). The *church* still had \$100 in electric bills.
- **BE CONSISTENT!** However you count things, be consistent from year to year. Make notes on which groups were included as support groups and count them there every year. List what is included as program expenses and what is included in operating expenses and list them there every year.
- For **multiple point charges**, each individual church turns in *their own* set of Tables. If the pastor serves two churches, he/she is responsible for *two* sets of Tables. Also, list **ONLY** the information for a **single** church. If two churches share a pastor, then the pastor's base compensation listed is the amount paid by *this* church, NOT the total base compensation. **For example**, two churches share a pastor whose total base compensation is \$35,000. Church A pays \$20,000 and Church B pays \$15,000. These are the amounts that would be listed on Table II, Line 48, NOT the \$35,000 total base compensation. It does not matter whether **1)** Church A and Church B each write a check to the pastor; **2)** Church B writes a check to Church A for \$15,000 and Church A writes a check to the pastor for \$35,000; or **3)** Church A and Church B write checks to the parish, which writes a check to the pastor for \$35,000. Ditto for all other expenses shared by the two churches. Remember that salaries, reimbursements, program expenses, and operating expenses are used in the apportionment calculation. Errors here produce incorrect apportionments for your church and for all other churches as a result.
- **Parish churches.** There are parishes that share some expenses. Each church contributes to the parish costs (like pastor's compensation and a parish administrative assistant) and the parish pays the bills. Again, each church should list its **own** contribution to the expenses, NOT the total expense. See multiple point charges above for an example.
- **Joint UM / other denomination churches.** Please report **only** the United Methodist portion of membership, expenses, and income. *Don't sweat this.* If half the membership is United Methodist, list half the total church income and expenses on the Tables. Or pick some other reasonable percentage. And if you list the entire expenses, your apportionments will be higher than what they should be and all the other churches will thank you.
- **Joint programs.** If two or more churches have a joint youth group program or joint Vacation Bible School program, or some other joint program, each church should count its **own** people and expenses.

- **For example**, two United Methodist churches jointly run a single youth program. Of the 12 members, eight attend one church and four attend the other. Each church lists its own membership, not the 12 total members. The expenses can also be split 8/12 to one church and 4/12 to the other church.
- **Another example**, a United Methodist church and a Presbyterian church run a joint vacation Bible school program. The total cost of the program is \$100, of which \$60 is paid by the United Methodist church and \$40 is paid by the Presbyterian church. The expense for the United Methodist church is \$60, not \$100. Even if all the expenses are run through the United Methodist checking account, the *church* expense is only \$60. The Presbyterians get to count the other \$40 on their Tables (if they had them).
- **Apportionment calculation.** Your church's apportionment is based 15% on average membership and 85% on average expenses. Both figures are averaged over three years. End of year membership from Line 9 and expenses from Lines 48 through 57 are used in the apportionment calculation. Average worship attendance, constituent membership, baptized membership, value of church buildings, benevolences (gifts to mission), principal and interest paid on indebtedness, amounts paid on buildings and improvements, amounts received from pledges, memorials, capital campaigns, etc. are NOT included in the calculation. The moral of the story is, *do not* include capital improvements or mortgage payments in your operating expenses! Unless you like paying higher apportionments.
- If you tell me that your operating expenses are \$0, I will not believe you unless you are holding services rent free in someone's field and people bring their own chair, hymnal, and candle. If you have a building, I am willing to bet that you have insurance costs, heat, light, water, sewer, phone, and basic maintenance costs. There are a few churches every year that forget to fill in this Line. If *you* forget to fill it in, *I* won't.
- **Church conference held after February 1?** Send Table I *soon* after your church conference is held. Or send Table I in by February 1 and send in corrected membership figures *soon* after your church conference is held. The conference can deal with a few data corrections or late Tables, BUT NOT 360! The conference office must compile all Table information and submit it to GCFA and the Council of Bishops in mid-March, so your best effort to produce reports on time is very much appreciated.
- The membership and expenses used in the apportionments are averaged over three years. If you find you have made a mistake in what you used for these (or have not turned in Tables), you can correct the figures for future apportionment calculations.
- **Examples** are to help clarify what the conference is looking for. They are not all-encompassing. If you have questions, please call or e-mail barbara.brower@minnesotauc.org (612-230-6135).

Notes on Professing Members, Baptized Members, Affiliates, Associates, Constituents

- What was a full member is now a professing member. “Professing” indicates the ongoing, dynamic nature of membership in the church. Only *professing* members are counted on lines 1 through 9 (and thus in the apportionment calculation).
- What was a preparatory member and some constituent members are now baptized members. These persons are now considered *members* of the church. They are not professing members and are not included in the apportionment formula.
- Does this church have **pastoral responsibilities** for this person? If the person is hospitalized, dies, needs pastoral support, etc., who will do it? If it is someone at *this* church, then *this* church has pastoral responsibilities for this person. The person may or may not attend church on Sunday morning, may attend a weekday class or outreach program, may be related to a church Member or Constituent, may spend summers or winters in town, may be in town for school, or whatever. If the church has *pastoral responsibility* for a person, then that person is a Professing Member, Baptized Member, Affiliate, Associate, or Constituent. Here are some questions to help you determine a person’s status:
 - I. Is the person a member of another United Methodist Church? If the answer is YES:
 - A. If they have asked to become an Affiliate, then they are an Affiliate of this church and not listed on your church Tables at all. They will be counted on the other church’s Tables. We don’t want to count them twice.
 - B. If they have not asked to become an Affiliate, then they are a Constituent and are counted on Line 13.
 - II. Is the person a member of another denomination? If the answer is YES:
 - A. If they have asked to become an Associate, then they are an Associate of this church and not counted on your church Tables at all. They will be counted by that other denomination.
 - B. If they have not asked to become an Associate, then they are a Constituent and are counted on Line 13.
 - III. Has the person joined *this* church? YES – they are a Professing Member of this church and counted on Line 9. Since they had to be baptized to join this church, they are also a Baptized Member of the church, but *do not* count them on Line 12!
 - IV. Has the person been baptized?
 - A. YES – if they attend regularly, are related to someone who attends regularly, or have some “close” relationship with the church, they are a Baptized Member. If they do not have a “close” relationship, they are a Constituent. What constitutes a “close” relationship? You decide. The 2008 Book of Discipline, ¶230.3, is not clear. Baptized members who have not become Professing Members are counted on Line 12 and are not included in the apportionment formula.
 - B. NO – they are a Constituent of this church and counted on Line 13.
 - C. DON’T KNOW – take a reasonable guess or have the pastor ask politely when the person was baptized; records can always be corrected if you guess wrong.
 - V. Is the person not a member of any church or don’t know their status? Then they are a Constituent of this church and counted on Line 13.
- A person can be a member of exactly 0 or 1 church.
 - A new-born infant is a Constituent and a member of no church.
 - Mark was baptized, attended Confirmation, but was never confirmed and never joined the church. He is a Baptized Member of this church, but not a Professing Member (and therefore does not have the right to vote at a church conference).

- Barb is now a Professing Member of First UMC and attends early on Sunday mornings. She also attends the jazz service every Sunday at Hope UMC and has asked to be an Affiliate there. She also attends the Wednesday evening services at Trinity, where she is also listed as an Affiliate. She spends the summers at her cabin up north, attends Zion UMC regularly, and is listed as a Constituent at that church. She spends January and February in Florida, where she attends Community UMC and is listed as a Constituent there as well. And just because she has nothing better to do, she attends Bible study classes weekly at Evangelical UMC and is listed as a Constituent there as well. The moral is that a person can only be a *member* of one church, but can be an Affiliate, Associate, or Constituent at several churches.
- Once baptized, forever baptized. Baptism is of God and as far as United Methodists are concerned it cannot be undone. Once baptized as a United Methodist, Presbyterian, Lutheran, UCC, Catholic, or whatever, you are baptized. Period.
- If a member of the church asks to be removed from membership without transferring to another church, they can still be listed as a Constituent if they so desire. Do not list them as a Baptized Member. At this point, they are a member of no church.

- **Table I – Statistical Information**

- **Line 1 – beginning of the year membership.** This WILL match the ending figure in the most recent journal. Period. End of sentence. NO exceptions. Even if the number in the journal is wrong. Even if the church conference was held after the Tables were mailed in and the membership was changed. Even if the conference office somehow got the number wrong. This is carved in granite. The listing is found in section XIII, Statistical Tables. If the figure in the journal is wrong and you know where the people should have been listed, then list them on those Lines. If the figure in the journal is wrong and you do not know where the people should have been listed, then make corrections on Line 2c or Line 5c. For multiple point charges, this is **your** church only.

- **Example 1:** At the end of the year Jim Johnson transferred membership from another denomination to your church, but he did not get added to the Tables last year. This year, include him on Line 4.
- **Example 2:** The journal shows 100 members at the end of last year. After counting, recounting, and re-counting, you still come up with 101 members for the end of last year and can't figure out who was missed. List the 100 members from the journal on Line 1 and include that unknown person on Line 2c.
- **Example 3:** The church hasn't filled out Tables for several years, so the journal still shows the 100 members from several years ago. There are currently 97 members but you don't know who the 3 "missing" people are or what happened to them. Include them on Line 5c, whoever they are.

- **Lines 2a through 4** show where your new members have come from. Line 2a is for people joining *any* church for the first time, including Confirmands. **Lines 5a through 8** show where you lost members.

- **Line 9 – end of the year membership.** This is your Professing Membership at the end of the year, *not* the Baptized Membership. See the Notes on Membership at the beginning for definitions. Apportionments are based partly on this figure. If you do not turn in Tables, we will use last year's figure. If you have not turned in Tables for several years, we are using a figure from several years ago and your apportionment will be wrong. If your church conference is held later, then Table I can be sent in *soon* after your church conference or the membership figures can be corrected. **Corrections** can also be made until July 15.

- **Lines 9a through 9i – racial/ethnic and gender identification.** PLEASE fill in these blanks! These are the statistics most requested from the general church. The United Methodist Church seeks to be inclusive. On a conference level, we want to insure that our ethnic members are represented and are being served. Ditto for the general church level. If we don't know who and where the ethnic members are, it is hard to serve them fully. We have hymnals and other books in Korean because we have a large Korean population. Perhaps other languages are needed. **If you do not fill in the racial/ethnic identification, the conference office will do it for you!** Same applies to males and females.

- **Line 10 – average worship attendance.** On average how many *individuals* attend your *weekly* church services. If you have two church services and the choir sings at both, only count them once. If you have a Wednesday evening service during the summer that is generally attended by a different group of people than attend on Sunday morning, count them. If the Lenten services are generally attended by the same people who attend on Sunday morning, do not count them. The three special services held on Easter are counted. Funerals and one-time special services are not. Try not to count the same body twice in the same week. Do your best to count attendance, but if you miss someone (a small child sitting on the floor) or count someone twice, please don't fret.

- **Lines 12 and 13 – Baptized Members and Constituents.** People are counted as Professing Members, Baptized Members, or Constituents, but are not counted in more than one category. Professing Members have actually taken vows and joined the church and are listed on Line 9. **Baptized Members** are 1) baptized, and 2) have not yet joined the church. **Constituents** are people for whom the church has pastoral responsibility who are not members of this church. Please see the Notes on Membership above to determine who is a Baptized Member, who is a Constituent, and who is an Affiliate or Associate. **If** you do not know whether someone has been baptized, ask them when they were baptized. If they reply that they have not been baptized, this opens the door. **Only** Professing Membership is used in the apportionment calculation; Baptized Members and Constituents are not. Affiliates and Associates are counted where they hold their church membership only. Please don't count them twice!

- **Lines 15 through 18 – number of persons significantly involved in Christian formation groups and other small group ministries (not learning).** The key ideas here are *significantly involved* (not membership or average attendance), *Christian formation* (not education), and *small group*. Please count persons on *only one* Line. **For example**, one young adult teaches a 6th grade Sunday school class on Sunday morning, helps with confirmation class on Wednesday evenings, leads a Saturday morning Disciple Bible study, and attends a Monday adult Bible study class. This person is counted *once* on Line 17 as a Young Adult. PLEASE be CONSISTENT in how you count each year. And don't work too hard at it (just hard enough).

- **Line 21 – number of participants in Vacation Bible School.** This is the number of *students* involved with your church's VBS program or similar program. Do not count *teachers* or other *helpers* involved with VBS. If two or more churches run a joint VBS, only count the students associated with your church. Students should not be counted more than once. **For example**, two United Methodist churches run a joint VBS program. Of the 20 students attending, 8 were from Church A, 7 were from Church B, 2 were out of state cousins of a student from Church B, and 3 saw the ad and came. Church A claims their 8 students; Church B claims their 7 students plus the 2 cousins; and the churches get to arm wrestle over the 3 students who saw the ad. Church A and Church B should claim 20 participants between them, not 20 participants each.

- **Lines 22 through 24 – number of ongoing and short term classes for learning (not Christian formation).** List the *number* of Sunday classes on Line 22, non-Sunday classes on Line 23, and short term classes on Line 24. *Do not* list the attendance in these classes. Just trying to keep you on your toes!

- **Lines 25a and 26a – men's groups and women's groups.** List the *membership*, not attendance, in these groups. If your church does not have a United Methodist Men's group, but has a group of men that meet regularly, list their membership. Ditto for the United Methodist Women's group. This is especially likely for churches that are part United Methodist and part another denomination.

- **Lines 25b and 26b – benevolence amounts paid by these groups.** These are monies contributed by these groups to help support their church, local community work, or other gifts to mission. Monies contributed to the church are listed here for the *group* **and** on Table III for the *church* on the appropriate income Line **and** on Table II for the *church* on the appropriate expense Line. Yes, this means these amounts could be counted three times (once as an expense for the group, once as church income, and once as a church expense). No, these are not included in the apportionment calculation three times. No matter who pays the electric bill, the electric bill is still a church operating expense. Monies that are sent to the UMW district or conference treasurer are NOT listed here. Please note that funds sent to the conference office will be entered onto the Tables for you.
 - If the women's group contributes \$25 to the local food shelf, then include that amount here.
 - If the UMW contributes \$75 to Emma's Place and sends it through the district UMW treasurer, then **DO NOT** include it here.

- If the men's group contributes \$150 in the Sunday morning offering to Heifer Project, then **DO NOT** include that amount here. Since it is sent to the conference office by the *church* and Heifer Project is a General Church advance, the conference office will credit the *church* with the benevolence (and note that it came from the men's group)
 - If the women's group contributes \$50 to the church's vacation Bible school program, then include that amount here as a women's group benevolence **and** on Table II, Line 56, with *net* program expenses.
- **Lines 27a, 27b, and 28 – mission teams and people sent.** Line 27a refers *only* to official United Methodist Volunteers in Mission teams sent by *this* church. For Line 27b, count all the *people* sent by *this* church on official UMVIM teams, whether the team was sent by this church or not. The *team* may have been sent from another church, but count *this church's members* on this church's Tables. For Line 28, count all people engaged in any kind of mission, including UMVIM teams.
 - **Example 1:** This church sends an UMVIM team to Minnesota to help with flood damage, a second UMVIM team to Louisiana to help with hurricane damage, and a third team to Iowa through the Red Cross. Report the 2 UMVIM teams on Line 27a. Count the people on the 2 UMVIM teams and the Red Cross team on Line 28.
 - **Example 2:** The UMVIM team to Louisiana included 14 members from this church, 6 members of other United Methodist churches, and 2 members of other denominations. Include only the 14 members from this church on Line 27b. The 6 members from other United Methodist Churches will be counted on their own church Tables and the 2 members of other denominations will be counted by their denominations. Assuming they count this stuff.
 - **Example 3:** This church sends people to help with the local food shelf (not a church-run food shelf), works with the disaster response team, and supports a medical team to Haiti each year. Include the number of church members involved with all these programs on Line 28.
 - **Line 29 – community ministries for day care and education.** These are ministry programs that reach out to the *community*, not programs designed for church members. Programs like a parish nurse that are only or primarily available to church members are not included here. However, do not exclude a program simply because *some* church members use it. Day care and education include after school programs, after school homework help, nursery schools, English as a Second Language, etc. Outreach, justice, and mercy include food shelves, refugee assistance, etc.
 - **Line 30 – number of persons served by community ministries for outreach, justice, and mercy.** Enter the estimated number of people served by ministries sponsored by your church for outreach, justice, and/or mercy. These could include a church sponsored food shelf, community events, a parish nurse that is available to the community, legal services, etc.

Table II – Financial Information (Church Expenses)

This should be a summary of **all net** expenses for *this church* during the year. Parishes and churches that share a pastor have some shared expenses. Include only the expenses attributable to *this church*, *not* the parish as a whole. Contributions sent to the church for UMW or a separately incorporated Foundation and passed on to those groups **are not** expenses of *this church*. Neither are camp registrations collected by the church and sent in all together. Study books purchased by the church and sold at cost to the class participants as a convenience are pass-through amounts, not income or expenses of the church. Special Easter offerings are counted as benevolences on Table II, so **are** expenses of the church. If your church has a joint Vacation Bible School program with another church and all the expenses are run through your church books, then some of those expenses are for your church and some are for the other church. Please only count the expenses for *this church* on this Table.

- **NOTE:** Lines 48 through 57 are the expenses used in the apportionment calculation. These are the only expenses used in the apportionment calculation. Benevolences, loans, and capital improvements are not used in the apportionment calculation. Do not include these on Lines 48 through 57 unless you want your apportionments increased. The pastor's housing allowance is not included in the apportionment formula. Including this as part of the pastor's base compensation on Line 48 or as utilities on Line 50c or 50d will increase your apportionment.
- **The "missing" Lines.** Lines 35, 36a, 37 – 42, and 45 refer to apportionments, general church advances, conference advances, World Service special gifts, special Sunday offerings, higher education, Youth Service Fund, and other benevolences sent to the conference office. All these are monies that have passed through the conference office or the general church office and are pulled from the conference accounting records.
- **Lines 31 and 32 –church assets.** All assets of *this church* should be listed on either Line 31 or Line 32. Please note the emphasis on *all* and on *church*. If the *church* has control, it should be listed here. If the *church* does not have control, do not list it here.
- **Line 31** is the estimated market value of the *church* building (where the worship services are held), everything that is in the church building (copiers, computers, furniture, freezers, dishes, the stuff in the attic, paraments, etc), the land the church building sits on, the church-owned van, parsonages used by the pastor, parsonage furnishings and equipment used in support of the church's ministry or pastor, etc. If it is not used for the ministry of the church or support of the church pastor, list the estimated market value on Line 32. PLEASE do not just copy last year's figure. That may have been done for the past five years. Check your insurance policy for a more current value. Actually, you might want to check that your insurance policy *has* a good estimate of the current value.
 - If the church supplies a desk and computer for the pastor's use, then the *church* owns those items and their value is listed here.
 - If the pastor brings in his/her own furniture, dresser, etc., then these items are not owned by the church and are not listed here.
 - If the pastor is not living in the parsonage, then the value of the building, land, and equipment is listed on Line 32.
 - If the church provides a housing allowance for the pastor and the *pastor* owns his/her own house, then the house is not church property and its value is not listed on the *church* Tables at all.
- **Line 32 – all other church assets.** Does the *church* own it (not the UMW, separately incorporated Foundation, separately incorporated day care, etc)? Has it *not* been included on Line 31? Then list it here. This includes checking accounts, savings accounts, cash, stocks, bonds, trusts, securities, investments, the value of a parsonage if the pastor is *not* living in it, campground, other property the church might own, etc., etc., etc.

- Assume the UMW does not have a separate checking account. Their funds are kept in the church checking account and a separate record is kept. These funds should **not** be included here as the *church* does *not* have control of the funds. Just ask the UMW!
 - If the church has a Foundation that is separately incorporated, then the *church* does not have control of those funds (although church *members* do) and those assets are **not** listed here. Of course, if the Foundation *donates* monies to the church, that is income for the church and should be reported on Table III.
 - Memorial funds are under the control of the church and so are included here. So are youth group funds. So are funds raised by the church for a special project and held for that purpose (building addition, pipe organ, playground, etc.)
 - If there are programs at the church that are not separately incorporated, then technically they are part of the church and should be reported here and included in the church audits. This includes a day care, food shelf, clothing closet, etc.
- **Lines 33 and 34 – church indebtedness.** If the debt is secured by church property (like a mortgage, notes, loans, etc.), list it on Line 33. If it is not secured by church property (like credit cards, lines of credit, lease-to-purchase agreements, prior year’s unpaid apportionments, etc.), list it on Line 34.
 - **Line 36b – amount paid to district.** Big Waters, River Valley, and Twin Cities districts **do not** have a district asking. If your church is in the Big Waters, River Valley, or Twin Cities district, then this Line should be \$0. North Star district requests \$.60 per member for district programs, and Southern Prairie district requests \$2.50 per member (\$.50 per member for district programs, \$1.00 per member for Campus Ministries, and \$1.00 per member for Lakeview Health Services). These monies should be sent to the *district* treasurer. Since the Conference Statistician never speaks to the District Treasurers, you will have to fill in these amounts yourself.
 - **Lines 43 and 44 –benevolences given directly.** These are gifts to missions that have *not* been sent through the conference office. If the monies were sent directly to United Methodist causes (UMCOR, general church advances, conference advances), include the amount on Line 43. If the monies were sent to non-United Methodist causes (Salvation Army, local food shelf, etc.), include the amount on Line 44. If the church budget includes things like \$100 for the youth mission trip or a pastor’s discretionary fund, this is a benevolence and should be included on Line 44.
 - **Line 48 – pastor’s base compensation.** Look on the church conference Pastoral Compensation Budget form (for 2019 this is church conference Form 5, 5A and 7). These are the payments made for Line 1a except for the furnishing / appurtenance allowance (listed on Line 50c). It also includes cash bonuses and cash gifts. This is compensation *before* salary reductions are taken and includes net salary, before-tax contributions to the PIP and other 403(b) plans, the clergy share of the MAC premium, and medical and dependent care reimbursements (Internal Revenue Code 125). This **does not** include equitable compensation (paid by the conference, listed on Table III, Line 64a), housing allowance (Line 50a), health insurance premiums paid by the *church* (Line 46), pension contributions to CRSP or CPP paid by the *church* (Line 47), utilities paid to/for *the pastor* by the *church* (Line 50c), reimbursements paid to the pastor by the church (Line 51), or cash allowances paid to the pastor by the church (Line 52).
 - **Line 49 – associate pastor’s base compensation.** See above. This includes *only* pastors under Episcopal appointment. If your church is being served by a pastor who has *not* been *appointed* by the Bishop, then **do not** include their base compensation here. Instead, include it on Line 55, other staff compensation.
 - **Lines 50a through 50d – housing allowance and pastor’s utilities.** Please break this out onto four lines: senior pastor’s housing allowance, associate pastor(s) housing allowance, senior pastor’s utilities and housing-related allowance (including furnishing/appurtenance allowance), and associate

pastor(s) utilities and housing-related allowance (including furnishing/apprurtenance allowance). Please note that utilities and housing related allowances *are* included in the apportionment calculation, but the housing allowance is *not*.

- **Lines 56 and 57 – program expenses and operating expenses.** These two Lines frequently get mixed up. Both are included in the apportionment calculation. Please try to keep them straight anyway. Whoever *pays* for these expenses (church, group, individual), these are still expenses of the *church* and should be included here. Wherever items get put, please BE CONSISTENT from year to year! Please note that these are the **net** program expenses. If Vacation Bible School has \$150 of total expenses, \$50 donation from UMW, and \$70 in registration fees, then the **net** expense of \$30 (\$150 total expenses - \$50 donation - \$70 registration fees) goes on Table II and none of this is included on Table III.

Operating expenses are the basic things needed to be able to open the church doors and include such things as heat, lighting, utilities, trash service, snow removal, phones, Internet connection, insurance, worker's compensation, basic office supplies, cleaning supplies, routine maintenance, etc. If the UMW or some other group (or individual) pays to have the piano tuned, this is still routine maintenance and should be included here. Purchasing a new pipe organ is a major expense, in other words, a capital improvement. **DO NOT** put it here. It belongs on Line 58 or 59 (where it is not included in the apportionment calculation).

Program expenses include such things as the costs of worship services (candles, music, cleaning choir robes, renting risers for the choir, attendance pads, etc.), Sunday school programs, adult education programs, confirmation classes, youth programs, children's programs, *net* expenses for Vacation Bible School, nursery supplies, trumpeter for Easter sunrise service, soloist for Christmas concert, etc. For Vacation Bible School and other programs with a registration fee or other income, include the *net* cost of the program (expenses less revenue). If the UMW or other group (or individual) makes a donation to the program, include this as part of the revenue of the program.

Pick a place. Worship bulletins might be printed with special bulletin covers that are purchased or might be printed on plain paper taken out of the office supplies. It's either program or operating - pick an easy place and leave it there. If the bulletin covers are paid from the Worship budget, just include all of the Worship budget in program. If the bulletin covers are printed on plain paper taken out of the office supplies, leave it in the Office Supplies budget and include Office Supplies in operating expenses. Don't sweat the nickels and dimes.

- **Lines 58 and 59 – principal and interest paid on indebtedness, amounts paid on buildings and improvements.** Did you borrow money before the first of this year to purchase something or did you borrow money this year and still owe at the end of the year? Then list it on Line 58. Did you have a fund drive and people contributed the monies? Then list it on Line 59. Did you borrow money this year *and* repaid it this year? Then **DO NOT** include it on Line 58 or 59. List the principal wherever it was used and the interest on Line 57. Is it a capital improvement (costs at least \$1,000, will last at least three years, and adds to the value of the building)? Then include it on Line 58 or 59, but **DO NOT** include it on Line 57, operating expenses!

Table II examples

- The church has a Vacation Bible School program attended by 15 children who each pay \$10. The UMW contributes \$50 to the program. It costs \$225 to run the program. The \$50 from the UMW is included on Table I, Line 26b (amount paid by UMW for local projects). The *net* expense to the church is \$25, which is listed on Line 56 (\$225 cost minus \$150 collected from the children minus \$50 from the UMW).
- The computer hiccups and needs to be replaced. The replacement costs \$1,100. Since computers do need to be replaced occasionally, this is a routine operating expense and is listed on Line 57.

- The entire office is redone at a cost of \$30,000. Of this, \$20,000 is raised by contributions and fundraisers and \$10,000 is borrowed from the bank with \$2,500 paid towards principal and interest this year. The \$20,000 cash raised and spent this year is listed on Line 59, the \$2,500 principal and interest payments are listed on Line 58, and the remaining \$7,500 owed to the bank is listed on Table II, Line 33.
- The church borrowed \$5,000 to pay an annual insurance premium. It was repaid this year along with \$50 in interest. The \$5,000 is listed on Line 48 and the \$50 is listed on Line 57.
- The UMW buys \$500 worth of dishes to replace broken ones. Since the dishes needed to be replaced, this is an operating expense. List it on Line 57. (Food fight? Frisbee contest? Youth group fun night? Commentary on the cooking that night? Hmmm...)

Table III – Receipts Report (Church Income)

This should be a summary of **all church** income during the year. Contributions to UMW are passed on to UMW and **are not** income to the *church*. Camp registrations collected by the church and passed on to the camping office **are not** income to the *church*. Special Easter and Christmas offerings are requested by the church, so these **are** income to the church.

The income on Table III is listed more on where it was spent than where it came from. The general categories are these:

Line 64 – monies contributed from outside your church. These include monies received from the conference, from the general church, and from other businesses and grants. This does not include monies received from church members, church events (like Easter Sunday, memorial services, pancake breakfast, etc.), the UMW, the church Foundation, or fundraisers sponsored by the church or church members, etc. **NOTE:** These monies are NOT listed as expenses on Table II!

Line 63 – designated giving for capital campaigns, memorials, benevolences, etc. If the monies are designated for special projects, list them here. If the monies are designated for regular operating expenses (like the electric bill or Sunday flowers), then list them on Line 62.

Line 62 – all the general expenses in your regular operating budget that was approved at your church conference.

- **Line 61** is the *number* of pledges and identified givers providing the general operating funds listed on Lines 62a and 62b. **Note:** don't spend hours figuring this out. Take a little time, make a reasonable determination, and move on.
 - **Example 1:** John and Mary Smith make a pledge to the church. This is a single pledge. Their son Robert, who lives with them, also makes a separate pledge. This is a second pledge. Their daughter Sally, also living with them, does not make a pledge but does make contributions from her own checking account. This is a third identified giver.
 - **Example 2:** Tom Wilson, who attends regularly but is not a member, puts a personal check into the Sunday offering. Since this supports the general operating budget *and* he attends regularly, he is counted here.
 - **Example 3:** Jenny Jones attends a funeral at the church and contributes to the memorial fund. This does not support the general operating budget, so she is not counted here.
 - **Example 4:** Sue Johnson, who lives out of state, puts a personal check into the Sunday offering. Since she will not be attending regularly, do not count her here.
- **Line 62** is money *raised within the church* for the **annual operating budget**. This includes the value of items purchased and donated by individuals or groups that the church normally would have purchased itself. The electric bill, Sunday school supplies, etc. are still church expenses even if an individual or group pays the bill on behalf of the church. Did the monies come from outside the church – loans (not income to the church), equitable compensation (Line 64a), advance special funds (Line 64b), grants from outside agencies (Line 63 or 64), etc.? Then **DO NOT** list it on Line 62! Is it designated for memorials (Line 63b), the church Foundation (which is separately incorporated, so is not *church* income), a new pipe organ (Line 63a), etc.? Then **DO NOT** list it on Line 62!
- **Please note:** Directed (designated) benevolences are no longer listed on Line 62. These include Special Sunday offerings, requests for flood relief, contributions to pay itineration expenses for a missionary, contributions designated for UMCOR, and other designated benevolence giving. These might be requested by the church (like World Communion Sunday offering) or just given by a member (like a contribution to Heifer Project). These are now listed on Line 63d. **DO NOT** include these on Line 62!

- **Lines 62a, 62b, and 62c – amounts received from individuals.** Pick a Line or Lines and put amounts there. Does the church have a pledge drive and keep track of who has pledged and how much they have paid toward their pledge? Then list this amount on Line 62a. If someone has overpaid their pledge, list the whole amount on Line 67a anyway. If the church does not have a pledge drive, list the amount on Line 62b. If the treasurer keeps track of loose money, list this amount on Line 62c, otherwise list it on Line 62b. If an individual purchases items and donates them to the church, the value of those items should also be listed here as these are church expenses. **Note:** don't spend hours on this either!
 - **Example 1:** The Smith family pledges \$120 for the year. They actually contribute \$130 towards their pledge and other things. List the entire \$130 on Line 62a.
 - **Example 2:** The Jones family did not pledge, but did contribute a \$50 check. List this amount on Line 62b.
 - **Example 3:** There is \$5.23 in loose change in the Sunday morning offering plate. List this amount on Line 62c.
 - **Example 4:** The Peterson family contributes \$500 to the building campaign. This is not part of the annual operating budget, so it is not included on Line 62. It *is* included on Line 63a.

- **Line 62d – interest and dividends.** This includes interest from a money market fund and stock dividends used to support the *general operating budget*. It does *not* include interest on capital campaigns (Line 63a), memorial funds (Line 63b), etc. that are not used to support the annual operating budget.

- **Line 62g – amount received through fundraisers and other sources.** The church hosts a spaghetti dinner with the proceeds going to the Sunday school program. The *net* income (revenue minus expenses) is listed here as this is a program of the church. The UMW contributes \$100 towards the church's apportionments. The \$100 is included here as income because this is an operating expense. If the UMW or other group purchases items and donates them to the church, the value of those items should be listed here as these are church expenses. Like the UMW purchasing plates for the kitchen. (Probably needed because the adult education class broke them playing indoor Frisbee golf.)

- **Line 63 – funding sources for capital expenses and other special projects.** These are monies raised in the church for capital campaigns, capital improvements, benevolences, and other special projects. Loans *are not* income to the church. Money received to pay off a loan *is* income to the church.
 - **Example 1:** The Smith family contributes \$1,000 towards a capital campaign to build a new addition on the church. The \$1,000 is included on Line 63a.
 - **Example 2:** The Jones family contributes \$500 towards a pipe organ. This is a capital improvement and the \$500 is included on Line 63a.
 - **Example 3:** Someone contributes \$100 to the memorial fund in memory of a deceased member. The \$100 is included on Line 63b.
 - **Example 4:** The church hosts a pancake breakfast with the proceeds going to purchase a pipe organ. The *net* income (income minus expenses) is included on Line 63c.

- **Donated items.** This depends on what is done with the item. If an artist donates a painting that is hung in the church office or parsonage, it becomes part of the church assets and the value is included on Table II, Line 31. If the painting is sold for \$500 and the proceeds used towards the Sunday school program, then the \$500 income is included on Table III, Line 62e because the Sunday school program is part of the operating budget. The amount spent will also be included on Table II, Line 56 as part of the program expenses. If the painting is sold for \$500 and the proceeds used to buy new furniture, then the \$500 is included on Table III, Line 63c as other funding sources for capital projects. It will also be included on Table II, Line 59 as a capital improvement. If the painting is sold

and the proceeds are put in the bank towards a pipe organ, then the amount is included on Table III, Line 63c and on Table II, Line 32 (cash in the bank).

- **Line 64 – funding sources from United Methodist connectional sources or other sources outside the local church.** For most churches these Lines will be \$0. If the pastor or church receives Equitable Compensation funds, include this on Line 64a. *Do not* include it on Table II, Line 48 (Pastor’s Base Compensation) or Line 49 (Associate pastor’s Base Compensation). If the *church* (not a separately incorporated group) receives advance special or apportioned funds, include this on Line 64b. If the church receives funds from other sources *outside* the local church, conference, or general church, include the amounts on Line 64c.
 - **Example 1:** The pastor’s salary is \$20,000 per year with the church contributing \$15,000 and \$5,000 as Equitable Compensation from the conference office. Include the \$5,000 Equitable Compensation on Line 64a and list the \$15,000 contributed by the church on Table II.
 - **Example 2:** The church has a food shelf program that has advance status from both the conference and the general church. The church receives \$2,000 through the advance. Include the \$2,000 on Line 64b and do not include it on Table II at all.
 - **Example 3:** The church has a parish nurse who is paid \$30,000 per year. A local business contributes \$20,000 per year towards her salary and the United Methodist Church pays the remaining \$10,000. Include \$20,000 on Line 64c and include only the \$10,000 paid by the United Methodist Church on Table II.