

1 **Conference Council on Finance & Administration Report to Annual Conference 2026**

2 *Submitted by Rev. Steve Stultz Costello, chairperson*

3
4 **Celebrating Abundant Grace**

5 *“They all ate and were satisfied ... and they took up what was left over ... twelve baskets full.” – Matthew*
6 *14:13-21*

7
8 In our theme text for the 2026 Annual Conference, Jesus encounters a crowd in need. The disciples see
9 scarcity: only five loaves and two fish. Jesus sees something different. Taking what is offered, blessing it,
10 and sharing it, he reveals the abundant grace of God. All are fed. All are satisfied. And still there is more
11 than enough.

12
13 Across the East Ohio Conference, we see signs of that same abundant grace at work in our shared
14 ministry. At every level of our connectional church, faithful people continue offering their gifts so that
15 the mission of making disciples of Jesus Christ for the transformation of the world may flourish. Through
16 the generosity and stewardship of our congregations, ministries are sustained, communities are served,
17 and new expressions of faith continue to emerge.

18
19 In the work of the Conference Council on Finance & Administration (CCF&A), we are constantly
20 reminded that the resources entrusted to the church are not simply numbers on a spreadsheet. They
21 are expressions of faith. They are the loaves and fish offered by God’s people, placed in Christ’s hands,
22 multiplied through shared ministry.

23
24 **Supporting the Local Church**

25 We see support for mission and ministry at the local church at every level of our connection. At the
26 General Church, the General Council on Finance & Administration (GCFA) reduced conference
27 apportionments for 2026 by \$28,323, a 1.9% reduction from 2025. Over the past several years, the East
28 Ohio Conference has taken intentional steps to strengthen the ministry of local congregations.
29 Recognizing that the local church remains the primary place where disciples are formed and
30 communities are served, the Conference has worked diligently to ensure that shared ministry resources
31 are used effectively and responsibly.

32
33 We have seen God’s abundant grace support new and growing ministries without increasing our
34 Conference budget and without increasing apportionments. Increasingly, we are sharing resources in
35 collaboration with West Ohio. Together we are living into the strengths of serving as one episcopal area.
36 Jesus is taking, breaking, blessing and multiplying our impact through the Office of Ministry, the Office of
37 Discipleship Ministries, the Office of Fresh Starts and New Beginnings, and the Connectional Ministries
38 Office. At every level, staff and lay leadership from both East and West Ohio are bringing forth loaves
39 and fish and discovering discipleship synergy!

40
41 God’s abundant grace continues to bathe the 2024 transition from 10 districts to four, repurposing
42 resources for more ministry at the local church level. Funds from closed churches are supporting new
43 faith communities and fresh expressions. The Ohio Episcopal Area Task Team and its various task groups
44 are looking at the best practices each conference has to offer and envisioning a new future as one
45 unified conference that sees the crowds like sheep without a shepherd, has compassion, and provides.
46 One of the task groups is developing a new simplified, tithe-based, biblically grounded formula for
47 apportionments that will support deeper discipleship and greater mission and ministry at the local
48 church.

1 These efforts reflect a commitment to stewardship that recognizes both the challenges and the
2 opportunities of this season in the life of the church.

3 4 **Celebrating Faithful Giving**

5 We celebrate the faithful stewardship of the 392 congregations serving across the East Ohio Conference.

- 6 • In 2025, 231 churches paid their apportionments at 100% or higher. This is an increase of 27
7 churches over the 204 congregations that paid apportionments at 100% or higher in 2024.
- 8 • In 2025, 127 churches increased their apportioned giving above what they each contributed in
9 2024. This was a decrease of 72 churches compared to the 199 churches that paid more in
10 apportioned giving in 2024 than they contributed in 2023.

11
12 The pay-in rate from local churches to the East Ohio Conference budget in 2025 was 77%, compared to
13 74.2% in 2024, with \$4,447,049 in total contributed toward the mission and ministry of the East Ohio
14 Conference.

15
16 We give thanks for these gifts which sustain ministries across our Conference and beyond.

17 18 **Disaffiliation-Related Receipts**

19 Funds received through disaffiliation processes included:

- 20 • \$3.1 million toward apportionments (current and arrears)
- 21 • \$95,000 toward medical and pension arrearages
- 22 • \$3.8 million related to pension liabilities

23
24 Total disaffiliation receipts amounted to approximately \$7 million.

25
26 All disaffiliation funds are held in an insured cash sweep account that received an average interest rate
27 of 3.63% in 2025.

28
29 The \$3.1 million portion of disaffiliation funds for apportionments (current and arrears) is intended for
30 use to offset expenses that exceed our budget as we continue to adjust to fewer churches due to
31 disaffiliations. A policy was adopted last year that requires CCF&A approval to use disaffiliation funds.
32 Approximately \$1 million has been approved to pay for the Conference support of the 2026 Compass
33 Holiday that is reducing the pension liability burden to local churches. To date, no other disaffiliation
34 funds have been used.

35 36 **Advance Special Giving**

37 Giving to Advance Specials totaled \$474,470 in 2025, a decrease of 52.3% from what was contributed in
38 2024, presenting an opportunity for promoting the value and missional impact of Advance Specials in
39 2026. These gifts support a variety of mission initiatives both locally and globally, showing the world our
40 trust in God's abundant grace to provide for those who are most in need. View the list of Advance
41 Specials on the East Ohio Conference website at [https://www.eocumc.com/finance/advance-
42 special.html](https://www.eocumc.com/finance/advance-special.html).

1 **General Church Apportionments**

2 In 2025, the East Ohio Conference again paid 100% of our General Church apportionments, continuing a
3 long tradition (21 consecutive years) of faithful connectional stewardship.

4
5 The East Ohio Conference contributed \$1,476,076 to support the seven general funds of the
6 denomination:

- 7 • World Service Fund
- 8 • Ministerial Education Fund
- 9 • Episcopal Fund
- 10 • Black College Fund
- 11 • Interdenominational Cooperation Fund
- 12 • Africa University Fund
- 13 • General Administration Fund

14
15 As United Methodists, we continue to affirm that “the world is our parish.”

16
17 **Direct Bill Programs**

18 Looking beyond apportioned funds:

- 19 • the medical-insurance direct-bill pay-in rate for 2025 was 91.8%.
- 20 • the pension direct-bill pay-in rate for 2025 was 101.1%.

21
22 These programs provide vital support for clergy and their families and remain an important part of the
23 shared ministry commitments of the Conference.

24
25 **Africa University**

26 Because of the generosity of our churches, the East Ohio Conference was again able to support the
27 Africa University fund. Our 2025 apportionment payment to Africa University totaled \$20,803.
28 Additional donations designated for Africa University were \$37,130.

29
30 **Trinity Fund**

31 Rev. Andrew Scott, the CCF&A Trinity Fund representative, reports that the committee met and approved
32 one new grant and reviewed current grants.

33
34 **Equitable Comp Request**

35 CCFA approved a request from the Commission on Equitable Compensation to increase the total amount
36 available for sustentation grants from \$10,000 to \$12,000 so that there can be up to four grants of
37 \$3,000 per year.

38
39 **Finance Personnel**

40 Sharon Long is a new member of the Conference Financial & Administrative Services team on which she
41 is a part-time administrative assistant and is also working with local church payrolls. Rev. Michael Farmer
42 was hired in March as the part-time property manager in addition to being under appointment serving
43 two churches in Akron. The Conference benefits from his expertise and is responsible for 25% of his
44 compensation, including the cost of benefits.

45
46 **Looking Ahead**

47 Looking forward, CCF&A recommends that the 2027 Conference budget remain closely aligned with the
48 current 2026 budget, with slight increases in the budget’s bottom line related to increases in utilities,

1 insurance, building repairs and maintenance and property taxes. CCF&A will continue to evaluate the
2 long-term financial sustainability of our shared ministries. As the number of congregations in the
3 Conference changes, we continue to work on refining the apportionment formula so that it is simpler,
4 more transparent, and more supportive of the local church as the focal point of mission and ministry.
5

6 **A Witness to Abundant Grace**

7 In the story of the feeding of the 5,000, Jesus invites the disciples to bring what they have, trusting that
8 God will provide what is needed. Across the East Ohio Conference, we continue to witness that same
9 abundant grace. Through the faithful stewardship of local congregations, the ministry of Christ
10 continues to reach communities, nurture disciples, and extend hope.
11

12 As we gather for Annual Conference, may we celebrate the abundant grace of God already at work
13 among us – and trust that the God who multiplied loaves and fish continues to multiply the gifts of
14 God’s people for the sake of the world.
15

16 With the assurance of God’s presence, and the foundational comments above, CCF&A proposes the
17 following policy items to the Annual Conference.
18

19 **I. Payments And Reporting**

20 A. Local Church Apportionment Payments – all payments to Conference budget items shall be
21 made at least monthly to the executive director of Financial & Administrative Services. Special
22 offerings should be sent only with the regular monthly remittance. Please do not send them
23 separately. Payments should be sent directly to the Conference office (8800 Cleveland Avenue
24 NW, North Canton, OH 44720). There is also a separate remittance form for the directly billed
25 Health Care & Pension program. Please follow the directions on the separate remittance forms.
26 Churches have the option of online payments through the Conference website.
27

- 28 1) Timing – items in the Conference budget that are apportionments are expected to be paid in
29 full. One-half of the apportionment should be paid by June 30. To do less causes hardship for
30 the programs and people of the East Ohio Conference.
31
- 32 2) Reporting – the district superintendent will receive up-to-date reports on the apportionment
33 giving levels of the local churches and is asked to be an advocate for full fair-share giving by
34 each local congregation.
35
- 36 3) Staying current in all five apportionment funds is expected. Any church that wishes to
37 support the ministry of any of the funds at greater than 100% is encouraged to do so.
38

39 B. Annual Church Reports – the reports for 2025 were due on February 3, 2026. Annual church
40 reports for 2026 shall be submitted by January 19, 2027, but an extension may be granted in
41 cases of emergency, provided the request is made in writing and received by the executive
42 director of Financial & Administrative Services before January 19, 2027. This extension is
43 automatically granted to multiple church charges.
44

45 PLEASE NOTE: shared ministry apportionment payments must be received at the bank by the
46 third business day of the new year. In 2026 that date was January 6 and in 2027 it will again be
47 January 6. The cut-off date is imposed on us by our audit firm. The cut-off date is always the
48 third business day of the new year. Please make note of this date! Monies received after the

1 third business day will be credited to 2027 business. Be aware that credit card transactions and
2 ACH payments take one business day to process. If credit cards and ACH payments are not
3 initiated until 2027, they will be considered 2027 items. To be considered an item for the 2026
4 church year, they must be initiated in 2026. Please plan accordingly.
5

6 When churches do not file a year-end statistical report, those churches' next apportionments
7 will remain at the same level as the year in which they last filed a statistical report.
8

- 9 C. Audit Reports – ¶ 617.2 of *The Book of Discipline of The United Methodist Church, 2020/2024*. All
10 agencies receiving financial support from conference benevolences or from any other authorized
11 conference-wide appeal shall make audited reports to the council concerning all such receipts
12 and the disbursements thereof in such detail and at such times as the council may direct. These
13 audits shall be due on March 31, or 90 days following the closing of the fiscal year and shall be
14 sent to the Funding Evaluation Committee of the Connectional Ministries office. Any agency that
15 fails to provide a satisfactory audited report by said deadline will have its current-year funding
16 suspended until the committee accepts the report. The council has established minimum
17 guidelines for audits and an Audit Committee has provided a standard form for use by all
18 districts commencing with the 1995 audit using generally accepted accounting principles or an
19 acceptable comprehensive basis of accounting other than generally accepted accounting
20 principles and including a listing of property values and all fund balances including investments,
21 restricted and non-restricted funds. All audits are to be duly signed by the person performing the
22 audit. In addition to district unions no longer existing, districts also no longer have their own
23 bank accounts. All district bills are paid by the Conference therefore district financials are
24 included in the Conference audit.
25
- 26 D. Investment Reports – the executive director of Financial & Administrative Services is authorized,
27 in consultation with CCF&A, to invest a portion of the Huntington Sweep Account fund in AAA
28 Commercial Paper. Monthly investments reports shall be made at CCF&A meetings.
29

30 II. Budget

- 31 A. Timeline – all program agencies asking for funds shall participate in a one-year budget.
32
- 33 B. Ministries and Mission Balances – carry-over balances in the Fund I Conference Connectional
34 Mission Apportionments accounts shall be channeled into a Ministries and Missions Contingency
35 Fund. At year-end, all un-vouchered project/program funds shall be retained in the Connectional
36 Table Ministries and Missions Contingency account. Final disbursements of unspent balances will
37 be determined by the Connectional Table at the end of each 12-month period. The Ministries
38 and Missions contingency balance can be accessed by procedures adopted by the Connectional
39 Table.
40
- 41 C. Payout rates – all funds are budgeted for a 100% payout rate.
42
- 43 D. Contingency and Reserve Funds
44
- 45 1) Contingency Funds – by action of the 1976 Annual Conference, two contingency funds were
46 established, Administrative and Ministries and Missions. CCF&A and CCOM (now the
47 Connectional Table) agreed that unused balances at the end of the year are put into the
48 respective unbudgeted Conference Contingency Funds. The Connectional Table may initiate

1 requests for Ministries and Missions Fund through its established procedure. Non-
2 Connectional Table-related groups may appeal directly to CCF&A for Administrative
3 Contingency Funds. Any such request must stand five tests:

- 4 a) does not duplicate budgeted funding.
- 5 b) has not been turned down in the budgeting process.
- 6 c) does not circumvent the budgeting process.
- 7 d) funds are available.
- 8 e) where applicable, there are specific bid figures attached to the requests. Ministries and
9 Missions grants are paid only upon submission of a documented voucher, in the same
10 manner as budgeted item grants are made.

- 11
- 12 2) Reserve Funds – these funds consist of interest earnings from short-term investments and
13 restricted funds, and some unspent contingency funds voted to the Unrestricted Reserve
14 Fund by CCF&A. This fund is used under the jurisdiction of CCF&A primarily as a reserve for
15 capital or administrative expenditures. Since October 18, 1972, CCF&A's goal, upon
16 recommendation of the General Council on Finance & Administration, has been to set the
17 Unrestricted Reserve Fund limit at one and one-half times the average monthly income from
18 the preceding year's Conference apportionment receipts. The current limit for 2025 was
19 \$554,702. The Unrestricted Reserve Fund had a balance of \$554,702 on December 31, 2025.

20

21 **III. Compensation And Reimbursement**

- 22 A. Executive Team Salaries – the formula for district superintendent's salary was established at the
23 2002 Annual Conference as: 1.90 times the Conference Average Cash Salary for pastors. Annual
24 Conference 2009 amended the formula for calculating district superintendent salaries to be:
25 1.80 times Conference Average Cash Salary for pastors.

26
27 The salaries of the other members of the Executive Team – the executive assistant to the bishop,
28 the executive director of Connectional Ministries, the executive director of Financial &
29 Administrative Services, the executive director of Communications, and the executive director of
30 Discipleship Ministries – are also calculated using the same formula used to calculate district
31 superintendent salaries: 1.80 times Conference Average Cash Salary for pastors.

32
33 For 2027, the Executive Team recommends a 3% increase of their respective 2026 salary – and a
34 one-year suspension from using the formula. This recommendation is made in good faith to best
35 steward local church resources. The recommended 3% increase from the 2026 salary of \$95,052
36 would set the 2027 salary of each Executive Team member at \$97,904. If the formula is used, the
37 2027 salary for each Executive Team member would be \$111,159.

- 38
- 39 B. Travel Allowance – effective January 1, 2026, the mileage reimbursement rate for Annual
40 Conference staff shall be the standard rate allowed by the Internal Revenue Service, currently
41 \$0.725 per mile.

- 42
- 43 C. Housing/Utilities

- 44
- 45 1) District superintendents shall be provided a parsonage with full utilities and maintenance
46 provided or a housing allowance equal to 35% of their cash compensation salary.
- 47 2) The assistant to the bishop, the executive director of Connectional Ministries, the executive
48 director of Financial & Administrative Services, the executive director of Discipleship

- 1 Ministries, and the executive director of Communications if clergy, shall receive either a
2 parsonage or a housing allowance equal to 35% of the salary as established in Part A and if
3 not clergy, shall receive a housing allowance equal to 35% of their cash compensation salary.
4 3) Full-time United Methodist clergy serving in any Conference position, under appointment as
5 extension ministry, shall receive either a parsonage or a housing allowance equal to 35% of
6 their cash compensation salary.
7
8 D. Expenses – the Conference treasurer audits all line items and requires substantiation for
9 reimbursable expenses. Outside auditors review the treasurer's expense account.
10
11 E. Minimum Salary – minimum requirements detailed in the Commission on Equitable
12 Compensation report are to be applicable to all charges.
13
14 F. Health Insurance – each pastoral charge shall be billed an amount for health care coverage
15 where applicable. For 2027 it is anticipated that the premium will increase slightly. The East Ohio
16 Conference Board of Benefits will set the final premium charges. Employing agencies will be
17 charged the appropriate premium for their participants. Amounts will be remitted on Health
18 Care Forms provided by the executive director of Financial & Administrative Services.
19
20 G. Pension/Disability/COMPASS/ CPP Direct Billing (See worksheet provided with Omnibus Form) –
21 in 2027 each pastoral charge will be billed an amount for COMPASS Pension Plan and/or CPP.
22
23 H. Travel Reimbursement – the rate for mileage reimbursement for Conference business, for other
24 than Conference staff, shall be paid only in cases of critical need at \$0.14 per mile.
25

26 **IV. Moving Expenses**

27 The purpose of this policy is to describe how the East Ohio Conference will help defray the costs of
28 household moves related to clergy assignment within the Conference and to clearly state the rules which
29 apply so that local charges and affected individuals may recognize in advance the maximum amount of
30 financial help they might receive from the Conference. Moving expenses, subject to conditions and
31 limitations that follow, are to be shared by the Conference and the charge accepting the minister. The
32 Conference-share reimbursement rate will be determined by CCF&A based upon available funding.
33

34 Moving arrangements are to be made by the individual who will move, and such arrangements are
35 subject to approval by the charge sharing the cost. It is recommended that a professional mover be used.
36 On a non-professional move, the Conference will not reimburse labor or wages, and the Conference will
37 assume no liability for such a move. All exceptions to this move reimbursement policy may be referred to
38 CCF&A for resolution. Reimbursed moving expenses is a taxable transaction and will receive a Form 1099
39 at year-end, appropriately.
40

41 **A. Conditions and Limitations**

- 42 1) Positions Covered – situations eligible for reimbursement are those which involve either a
43 parsonage or a housing allowance from a local church or the Conference for clergy under
44 Episcopal appointment. An appointment beyond the local church may be covered only if it is
45 a position in which the East Ohio Conference funds full salary. Also covered would be newly
46 retired pastors being hired as supply pastors (see also Section IV.B.1). In negotiating with
47 candidates for Conference professional positions approved in *The Conference Journal*, this
48 policy should be used as a guideline.

- 1 2) Reimbursements – the charge receiving a pastor is to pay the carrier and submit a
2 documented voucher to the executive director of Financial & Administrative Services for
3 reimbursement of the Conference share. The Conference will reimburse the local
4 church/charge 50% (subject to limitations) of the moving costs of each pastor under
5 Episcopal appointment. All local churches/charges with a valid moving bill incurred at the
6 usual moving time, at the end of June, must submit that bill to the executive director of
7 Financial & Administrative Services by August 1. The executive director of Financial &
8 Administrative Services will subsequently reimburse to the local churches an amount of 50%
9 of the moving bill (subject to limitations). Mid-year moving bills shall be submitted with prior
10 approval of the Cabinet.
- 11 3) Apportionment Requirement – if half-year apportionment payments of Shared Ministry
12 Funds II, III, IV as well as directly-billed Pension and Health Care are current as of June 30, a
13 charge will be eligible for moving reimbursement as per this policy. In charges whose
14 current-year apportionments are not paid to date, only churches of said charges which have
15 these apportionments paid will be proportionally reimbursed the Conference-share of
16 moving expense.
- 17 4) Distance, Packing and Weight Limitation
- 18 a) Distance – this is limited to mileage within the Conference boundaries following the
19 shortest route acceptable to the carrier.
- 20 b) Packing – Conference reimbursement to local churches for packing materials and/or
21 packing charges is limited to \$500.
- 22 c) Weight – only household goods are included. Specific exclusions include cars, boats,
23 and trailers, as well as storage charges and overtime for movers.
- 24 d) Estimate – as part of exercising stewardship while planning the move, the pastor being
25 moved shall obtain two written estimates of the full cost of the move (including
26 insurance from licensed movers) and shall submit all estimates, as well as the final bill,
27 as attachments to the reimbursement request.
- 28
- 29 5) New Seminary Graduate Appointments – graduates entering the East Ohio Conference to
30 assume their first full-time appointments will be given total moving expense reimbursement
31 from the place of origin of their move to their new appointment in the Conference if they
32 use a self-move method. If using a professional move, the graduates shall be under the
33 conditions and limitations of Section IV.A.4 If moving from outside the Conference the local
34 church/charge to which the incoming graduate is appointed shall be expected to pay the
35 appropriate moving expense prorated from the nearest Conference boundary to the new
36 residence. The mode of move shall be determined by the district superintendent in
37 consultation with the pastor, church, and Cabinet
- 38
- 39 6) Out of Conference Transfers In – churches receiving persons transferring into East Ohio from
40 other annual conferences shall have their related moving expenses reimbursed by the
41 annual conference under the terms specified in Section IV.A.4. The local church/charge will
42 be expected to pay one-half of the actual cost of the move, but not more than half of the
43 cost of the average professional move over the prior two years as listed in this report. The
44 East Ohio Conference will pay the balance subject to payout rates specified in Section IV.A.4.

45
46 The Average Professional moving expense over the prior two years (2024 and 2025) and
47 used in 2026 = \$3,162.
48

1 B. Retirees and Disability

2 NOTICE: All benefits described in this section are to be applied for those retiring in the current
3 year. Anyone retiring in a prior year should consult the language in *The Conference Journal* for
4 the year in which they retired. Reimbursed moving expenses for retirees is a taxable transaction
5 and will receive a Form 1099 at year-end, appropriately.
6

7 1) Retirees – full-time local pastors and clergy under appointment as district superintendents,
8 Conference staff, or on a pastoral charge, serving with pension funded by the Conference,
9 shall be eligible to receive a non-recurring moving expense allowance at the time of their
10 retirement under ¶ 358.1, 2.a., 2.b., 2.c of *The Book of Discipline of The United Methodist*
11 *Church 2020/2024*, provided that such clergy shall not have been re-admitted for the
12 purpose of retirement. Retirees eligible per the previous language that are approved to
13 continue working in retirement will remain eligible for this non-recurring moving expense
14 allowance at such time as they end their work. This allowance must be used within six
15 months of the end of their work unless granted an extension in writing by the executive
16 director of Financial & Administrative Services, and with prior approval of both Cabinet and
17 CCF&A. The development and administration of policy governing the allowance shall be the
18 responsibility of the Conference Board of Benefits.
19

20 2) Payment Amount

- 21 a) Inside Conference – clergy retiring and moving to a retirement residence within the East
22 Ohio Conference at the time of their retirement shall receive full reimbursement for
23 actual expenses in accord with the conditions and limitations of Section IV.A.1-4.
24 b) Outside Conference – clergy retiring and moving to a retirement residence outside the
25 East Ohio Conference at the time of retirement shall receive actual expenses up to a
26 maximum equal to the average cost of a professional move reimbursed by the Annual
27 Conference over the two years prior to their actual retirement.
28 c) Other Than Time of Retirement – retired clergy moving to a retirement residency either
29 inside or outside the East Ohio Conference (and who have not already used their non-
30 recurring retirement move reimbursement), shall be reimbursed actual expenses up to a
31 maximum equal to the average cost of a professional move reimbursed by the annual
32 conference over the two years prior to their actual retirement.
33

34 3) Disability/Death – a similar non-recurring moving expense allowance will be granted to
35 eligible members granted disability, full-time local pastors granted disability benefits, and
36 surviving spouse of eligible members or full-time local pastors.
37

38 V. Apportionment Process

39 A. Formula – CCF&A recommends the following formula for determining apportionment of Shared
40 Ministry Funds: apportionments to local churches will be based on non-benevolent and non-
41 building expenditures (referred to as "total base figure"). A "grade figure" will be derived for
42 each local church so that it may readily figure its share of any Conference-budgeted item. The
43 "grade figure" shall be computed as follows:
44

45
$$\text{Local Church Total Base Figure} / \text{Conference Total Base Figure} = \text{Local Church Grade Figure}$$

46

47 1) Total Base Figure – total base figures are the sum of the church program expenses, other
48 current expenses, salary paid pastor and associates, and travel and utilities paid to pastor

1 and associates by the church for them. The total base figure is listed annually in *The*
2 *Conference Journal*.

- 3 a) Travel – travel at the Conference-approved rate per vouchered mile for each pastor
4 and/or diaconal minister will not be counted in total base figure. If a flat rate or
5 allowance is used, the total amount is taxable to the recipient, and the total amount will
6 be included in the calculation of the total base figure.
- 7 b) Moving Expense – the moving expenses paid by the church are not added to the total
8 base figure but must be reported by each church as outlined in the local church report to
9 Annual Conference.
- 10 c) Health Insurance – the health insurance premiums for lay and clergy paid directly by the
11 charge shall not be considered in establishing the charge's apportionments.
- 12 d) Pension – pension provided for lay employees is not considered in establishing the
13 charge's apportionments. Pension charges billed directly to the local church/charge for
14 clergy shall not be considered in establishing the charge's apportionments.
- 15 e) Housing Allowance – housing allowance for apportionments shall exclude amounts
16 expended on either rent or mortgage and interest payments. Taxes, maintenance,
17 insurance, and utilities will remain a part of the formula.

18
19 B. Timeline – preliminary apportionments for 2027 will be mailed in September 2026 and will be
20 based on the local church report for the year 2025. Final apportionments will be mailed in
21 October 2026

22
23 C. New Churches – a new church will be apportioned by the Conference 10% of its “full” amount
24 during the first year after the effective charter year. During the second year the apportionments
25 will be at 15%; during the third year 20%; fourth year 40%; fifth year 60%; sixth year 80% and
26 100% in the seventh year and thereafter. Existing new churches will be considered as being in
27 their first year. The term “apportionments” is meant to include all apportioned funds.

28
29 D. New Program Staff Position Salaries – these salaries will be exempt from total base figure
30 calculation for a period of two years from the date of hire. During this time, new program staff
31 position salaries will be reported along with the date of hire each year on the local church report
32 to Annual Conference.

33 34 **VI. Merged Churches**

35 As part of the merger process, the congregations involved will create a proposed budget for the
36 merged church which will go into effect on the date the merged church begins worshipping and
37 meeting as one congregation. This budget will be worked out in consultation with, and given
38 approval by, the district superintendent and the district Committee on Church Building and Location.
39 This budget will then be forwarded to the office of the executive director of Financial &
40 Administrative Services to be used to formulate the current year's apportionment figures for the
41 newly merged church. A new total base figure will be calculated for the merged church based on the
42 formula outlined in ¶ V.A) above. This new total base figure will be in effect until the actual financial
43 records of the merged church are reported for the first full year of its existence and can be used to
44 calculate a total base figure based on actual expenditures.

45
46 A new classification of merged churches will be VITAL Mergers. Those mergers fulfilling the VITAL
47 Merger qualifications will be considered as a new church start by the Board of Congregational
48 Development and will consequently be considered a New Church for apportionment purposes.

1 **VII. East Ohio Annual Conference Central Treasury**
2

3 All Conference assets, liabilities, and fund balances are to be accounted for by the office of the
4 executive director of Financial & Administrative Services, who will provide a Central Treasury for the
5 East Ohio Annual Conference (See 2020/2024 Discipline ¶613.12). The executive director of
6 Financial & Administrative Services is charged with the accounting for all financial activity of the
7 Conference, including all boards, agencies, and committees. No group or individual may perform
8 this accounting function in lieu of the executive director of Financial & Administrative Services, who
9 must account for all receipts, disbursements, and fund balances.

10
11 The executive director of Financial & Administrative Services is not currently expected to perform
12 the accounting function for the district offices, or the United Women in Faith. These bodies perform
13 their own accounting function and are both separately audited and reported to the Annual
14 Conference.

15
16 **VIII. Conference Loan Policy**
17

18 CCF&A may borrow up to 2% of the Conference annual apportioned budget in any given Conference
19 year for current expense purposes.